

Public Administration

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Summer Conference, 1939

THE Summer Conference of the Institute of Public Administration will be held in University College, Oxford, from 7th to 10th July, 1939.

The following papers will be discussed:—

Friday, 7th July (10.30 a.m. and 2.30 p.m.).

INSPECTORATES AS A LINK BETWEEN CENTRAL AND LOCAL AUTHORITIES:

- (1) The Ministry of Health in Relation to Public Assistance: John Moss (Public Assistance Officer, County of Kent).
- (2) The Ministry of Transport: H. R. Hepworth, M.Inst.C.E., F.S.I. (Surveyor, West Riding County Council).

Saturday, 8th July (10.30 a.m.).

PRINCIPLES OF HIGHER CONTROL: J. T. Foxell (Surveyor, General Post Office).

Monday, 10th July (10.30 a.m. and 2.30 p.m.).

MUNICIPAL TRADING:

- (1) Water: Norman J. Pugh, A.M.Inst.C.E., M.Inst.W.E. (Water Engineer and Manager, Coventry).
- (2) Electricity: C. R. Westlake, M.I.E.E. (General Manager and Engineer, Electricity Department, Borough of Finchley).

The Inspectorate as a Link Between Central and Local Authorities

The Ministry of Health in Relation to Public Assistance

By JOHN MOSS

(*Barrister-at-Law, Public Assistance Officer for the County of Kent*)

[*Paper to be discussed at the Summer Conference of the Institute, Oxford, 1939*]

POOR Law administration has been controlled in considerable detail by the Central Authority since boards of guardians were established under the Poor Law Amendment Act, 1834, as the result of the report of the Royal Commission of that year. The Commission had recommended the appointment of a Central Board to control the administration of the Poor Laws.

Poor Law Commissioners were therefore appointed with power to appoint Assistant Commissioners. Under the Act of 1834 the whole of the Poor Law administration was put under the control of the Poor Law Commissioners as the Central Authority. Although, as in the case of the Ministry of Health at the present time, they could not interfere in individual cases relieved, it was considered quite proper that they should have power to reprove guardians for their action in individual cases which had been brought to their notice by the Assistant Commissioners.¹

In 1847, the Commissioners were superseded by the Poor Law Board, and the Assistant Commissioners became known as General Inspectors. In 1871 the powers of the Board were transferred to the new Local Government Board, which was superseded by the Ministry of Health in 1919. Thus the powers of the Minister of Health in regard to the administration of Public Assistance are substantially the same as the powers of the Poor Law Commissioners

¹ See the Poor Law Code, by W. Ivor Jennings, M.A., LL.D., 2nd Edition, page 5.

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from 1834 to 1847. Those powers were mainly exercised by the issue of Departmental Orders to the Poor Law authorities, by the inspection of the activities of boards of guardians by the Assistant Commissioners, and by the control of Poor Law expenditure by audit.

The Poor Law department was the first department of local government to be placed under any control other than that of the Courts. I think it may be safely contended that no sphere of local government is subject to such close control by a Government department as public assistance. Consequential on the passing of the Act of 1834, there was established for the first time in English administration, as a link between the national executive and local government bodies an organised salaried staff of general inspectors. Unlike the inspectors appointed by other Government departments they are not only empowered to visit and inspect the activities of the local authorities but they are authorised to attend the meetings of the public assistance authorities whenever they think fit. The Royal Commission on the Poor Laws and Relief of Distress, which reported in 1909, expressed the view that the control exercised by Government departments over local authorities, such as public assistance authorities, depends always for its efficiency on the existence of a staff of peripatetic agents of the department who can keep the local administration constantly under observation, help the department to form its judgments and convey to the local authorities the advice and instructions, in which the policy of the department is from time to time embodied.

Poor Law inspectors were described by the Poor Law Commission not merely as inspectors but as the "Appointed Counsellors" of the local authority.

The Minister of Health is required by Section 9 of the Poor Law Act, 1930, subject to the consent of the Treasury as to numbers, "to appoint inspectors for the purpose of assisting in the execution of this Act" and "may assign to these inspectors such duties as the Minister may think fit." England and Wales are divided into eleven districts, each of which is assigned to a general inspector. They act under the supervision of a chief general inspector, who himself acts as general inspector for London, which is one of the eleven districts. There is also usually an assistant general inspector in each district.

There are also women inspectors, divided into two groups—one group for inspecting nursing in public assistance institutions, and the other group for general inspection work. The women inspectors act generally under the supervision of or in association with the general inspectors. There were formerly two medical inspectors, who were engaged entirely on poor law medical matters, but the

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duties which they performed have now been assigned to the medical division of the Ministry of Health.

For many years the inspectors appear to have been appointed personally by the President of the Local Government Board, and no special qualifications were prescribed. In recent years it has been the practice to appoint men who have served as assistant inspectors and these have been selected from officers already serving in the department. It appears to be now the policy to second officers as temporary assistants to the general inspectors. These officers will later be some of the officers who will be dealing with correspondence between local authorities and the Ministry and it will no doubt be of great assistance to them and to local authorities that they have had some practical insight of the work as seen in the country and not merely from Whitehall.

The Royal Commission expressed the view that definite qualification should be laid down for inspectors and that persons who are appointed "should have studied the history of the Poor Laws and the causes of pauperism and should, during the period of probationary work, have given evidence of practical administrative ability. Prior to their appointment as inspectors they should, as a rule, be appointed assistant inspectors, and in that capacity they should have opportunity of learning the character and administration of relief, both legal and voluntary." The recommendation with regard to inspectors having served first as assistant inspectors has been adopted, but apparently not the other recommendations. There can be no doubt, however, that the present practice of choosing the most suitable officers in the department, who have already had experience in the central office of the Ministry of Health, for appointments as assistants on probation is sound.

DUTIES OF THE INSPECTORS

The Poor Law Commission recommended that on appointment inspectors should receive written or printed instructions as to their duties, and that such instructions should be periodically revised. As far as I have been able to ascertain the inspectors receive no specific instructions from the Ministry as to their duties, either upon assuming their appointments or subsequently. The system was criticised by the Royal Commission, which said: "Each is left within certain limits to act for himself, and as they seldom meet for conference it is not to be expected that they are working on entirely the same lines in their different districts." It is, however, now the general practice for periodical conferences to be held of the various general inspectors, and in this manner views can be exchanged.

It used to be considered to be the duty of the inspector to maintain

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contact with the work of the Public Assistance authority and by persuasion and advice guide the authority on a policy approved by the Ministry. In the early days of Poor Law administration, the inspector was no doubt required to exercise these functions much more frequently than under the present system, when the Poor Laws are administered by more enlightened authorities. Even now, however, tactful persuasion on his part is no doubt sometimes necessary, and he may occasionally be required to tender advice which may not be altogether acceptable to the authority. In the last resort the inspector can make an adverse report to the department when, if necessary, other powers can be used to secure the compliance of the local authority with the wishes of the Ministry. A considerable measure of responsibility therefore rests upon the inspector.

The Poor Law Commission was of the opinion that although in its early days the inspectorate achieved remarkable successes, during the last twenty years prior to the issue of its report the inspectorate had lost much of its former influence over the Public Assistance authorities. "It had not succeeded in formulating a systematic and consistent new policy in substitution for the old, and had failed to get adopted, with any thoroughness or uniformity, the authoritative views of the treatment of the sick, children and deserving aged. It had failed even to prevent the persistent defiance of the instructions of the Central Authority." It is pleasing to be able to record that the Commission did not attribute what it considered to be the general failure of the inspectorate to any shortcomings of the existing staff.

In paying tribute to the inspectors it said: "There are among the inspectors of to-day, as there have always been, men of great ability and belonging to the best type of administrators; combining detailed knowledge of the technique they were appointed to control, with wide views of policy, and understanding of general principles and considerable capacity for handling men."

The Commission attributed what it considered to be the ineffectiveness of the inspectorate, as an instrument of central control, to the fact that "almost without it being observed, the duties imposed upon it have been changed."

The Commission considered that inspection, to be efficient, should always be performed by a person technically expert in that which he inspects. The Assistant Commissioners of 1834-1847, and the Poor Law inspectors of 1869-1885, had a single function to supervise, and a single technique to invent or acquire, namely, the relief of destitution in such a way as to render the relief deterrent. This policy had been discontinued by the more enlightened authorities long before the abolition of the Guardians under the Act of 1929.

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The following is a quotation from the Commission's Report expressing further views on this matter:—

“The task which he (the Inspector) is supposed to perform would demand a mastery, not of one technique but of many techniques. It would be impossible for any man, however versatile his natural talents, and however varied his professional training, to be an authority alike on the medical treatment of the sick, at home or in an institution, on the rearing of children, whether by their own mothers or by others; on the education and starting in life of boys and girls; on the rescue of fallen women and the virtue of their infants; on the management of imbeciles and idiots; on the ameliorative treatment of the crippled; on the provision of almshouses for the aged—not to mention such nascent services as the training of the unemployed, and the detention of the wastrels. Every board of guardians embarking on one or other of these enterprises finds in the inspectorate either amiable tolerance or silent disapproval but never the guidance, the suggestiveness and the effective control that come only with superior knowledge. In short, with the transformation of the service, the general inspectorate for the relief of destitution—like the destitution officer and the destitution authority itself—has become an anachronism.”

The transformation of the duties of the inspector has gone much further than was even visualised by the Royal Commission. With the designation “General Inspector” have come duties unconnected with the Poor Law, duties relating to public health, hospitals, housing, sanitation and latterly, civil defence. They appear to be now used by the Ministry of Health as outside liaison officers for any function of local authorities which is not covered by some other inspectorate or form of liaison. They appear, in fact, to be used for any matter in which direct contact is necessary between the Ministry and local authorities.

ENQUIRIES AND DISPUTES

Under Section 160 of the Poor Law Act, 1930, the Minister may cause such inquiries to be held as he may consider necessary or desirable for the purpose of the Act. The Minister, or any inspector appointed for the purpose, may summon any person to attend an inquiry to give evidence and produce any documents in his possession, and has power to take evidence on oath subject to the rather strange proviso that “no person shall be required, in obedience of such a summons, to go more than ten miles from his place of abode.” It is usually one of the general inspectors who holds inquiries ordered

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by the Minister, which happened recently in Kent, when the Minister ordered an inquiry to be held into an application by the county council for the termination of the appointment of a hospital matron. He was accompanied by a medical officer of the Ministry, which is the usual practice when medical matters are also concerned.

ATTENDANCE AT MEETINGS

An inspector is entitled by Section 9 of the Poor Law Act, 1930, to attend any meeting of a county or county borough council, or committee or sub-committee "held for the relief of the poor, and to take part in the proceedings, but not to vote at the meeting." In this respect, therefore, the inspector could, if he chose, be in a more favourable position than an officer of the council. He could, for instance, speak, as a matter of right, at a meeting of a county council, whereas it would be unusual for any officer other than the clerk to the council to speak at such a meeting, and even then he would have no definite right to speak. I may say, however, that as far as Kent is concerned, the inspector has never attended a meeting of the county council. In order to emphasise their right to take part in the proceedings of the meeting to the same extent as the members, I believe some general inspectors adopt the practice of sitting alongside the members and not accepting an invitation to sit in a place of honour beside the chairman. They do not desire to be treated as distinguished visitors.

Sir William Chance, who was a well-known authority on Poor Law administration, in a book on Poor Law Reform published in 1910, expressed the view that by their presence at the sittings of boards of guardians and of relief committees the inspectors were able to exercise a considerable control over the administration of outdoor relief, and he thought it unfortunate that their admirable work did not receive fuller recognition in the annual reports of the central authority.

It used to be generally understood under the old Poor Law system that the general inspector should attend a meeting of every board of guardians in his district at least once a year. Since the transfer of the functions to the councils, these regular routine visits appear to have been discontinued and the inspector attends meetings at irregular intervals when he deems it necessary or finds it convenient. In Kent, for instance, I do not think an inspector has attended more than two meetings of the Public Assistance Committee in the last ten years. I believe, however, it is the usual practice of the inspector to attend meetings of the various Joint Vagrancy Committees regularly. Public Assistance authorities in various parts of the country are combined in large areas for the purpose of vagrancy.

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This is a comparatively new feature of public assistance administration in which the co-operation of the public assistance authorities in the area is essential and is one in which the inspector can, by his influence with the various authorities in the area, give much valuable assistance to a Joint Vagrancy Committee.

INSPECTIONS OF PUBLIC ASSISTANCE ESTABLISHMENTS

Under Section 9 of the Act of 1930, the inspector is also entitled to visit and inspect every workhouse and "place wherein any poor person in receipt of relief is lodged."

In 1858¹ a mandamus was issued to a board of guardians to compel them to allow the inspector to measure a workhouse. It was laid down in that case that the inspector may do what is necessary to obtain the information required by the Central Authority. This case is interesting as indicating the meticulous control exercised over Poor Law administration. An order of the Poor Law Board had been made specifying the number of persons who might be accommodated in the various wards of the St. Pancras Workhouse. Certain alterations were made in the construction of the wards, and the Directors of the Poor refused to allow an inspector of the Poor Law Board to take the dimensions so as to enable the Board to decide how many people should be accommodated under the altered conditions. It was laid down that the power of the inspector who "inspected" was not limited to merely looking at the institution.

The inspector visits the institutions in which relief is being given as part of his normal routine. He may also be sent to an institution to obtain information on a specific point or to make a special inspection of the work or any particular authority. Letters, for instance, frequently reach the Ministry from casuals who are dissatisfied with their treatment in certain casual wards or who complain that the regulations are not being administered properly. It is quite usual following such a complaint for an assistant inspector to visit the institution and make a thorough investigation. If he is satisfied that there is a reasonable cause for complaint a formal letter is usually sent to the council by the Ministry. Frequently the inspector may think it useful to discuss the matter informally with the public assistance officer.

It should be emphasised that the inspector has an absolute right to visit the institution without notice to the authority or its officers, and this is the usual practice. The view is held in some quarters that a similar right of inspection should apply to hospitals and other institutions not controlled under the Poor Laws. For instance, Dr. Somerville Hastings, who was then Chairman of the Hospitals and Medical Services Committee of the London County Council,

¹ (R. v. St. Pancras (1858), 22 J.P. 384).

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said in 1936 at the Public Health Congress: "he could not help feeling that there ought to be some central authority which dealt with the inspection . . . of hospitals. . . . There ought to be inspection of hospitals, not only municipal but voluntary."

POLICY IN RECENT YEARS

Under the system as administered by the guardians it was sometimes found that there was a desire for more frequent and thorough inspection and supervision than the existing system always permitted. Boards of guardians had become accustomed to inspection as a part of the routine administration. The new Public Assistance authorities had not however been accustomed to such routine inspection and visitation in other departments, and after the transfer of the functions in 1930 there was criticism in some quarters of the continuation of this close inspection. While there is still considerable dissatisfaction at the meticulous control which the Minister may exercise over Poor Law administration as indicated by many of the archaic provisions of the Poor Law Act, 1930, there appears to be little criticism of the work of the inspectors. The officials of the public assistance authorities often find it very convenient to be able to consult the inspector informally on matters which may, at a later date, be the subject of formal communications between the authority and the Ministry. The Royal Commission evidently favoured an amplification of the inspections, but it must be remembered that the Commission was dealing with the unsatisfactory system of Poor Law administration which then existed under the boards of guardians.

It must also be remembered that under the former Poor Law system many boards of guardians had as their chief officers part-time clerks, whose remuneration was very small. Poor Law administration was only a minor part of their activities, and they could not be expected to give much time to the visitation of the workhouse. With some noteworthy exceptions they had little experience of Poor Law administration outside their own areas. The clerk to the guardians therefore often looked to the inspector to draw the attention of the guardians to any defects in the administration of the institution. The position has, however, been altered considerably since the transfer of the functions of the guardians to the councils. With very few exceptions, public assistance authorities at the present time have experienced whole-time supervisory officers. The public assistance officer or one of his assistants, usually makes frequent visits to institutions in his area. Other officers of the council are also available for advising on special matters affecting an institution. The need for retaining inspection of public assistance institutions, by an inspector of the Ministry of Health, has therefore

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largely disappeared, and might even prove irksome to the authority if done as regularly as was formerly the practice. Although generally the administration of public assistance is now undertaken by enlightened authorities, there are still, however, some backward areas where visits by inspectors to the institutions may be very necessary in order to persuade the authority to adopt improved methods of administration.

Sir Gwilym Gibbon, C.B., C.B.E., D.Sc., in his jubilee book on the work of the London County Council, points out that one consequence of the transfer of public assistance from boards of guardians to the county council has been the reduced part played by the Ministry of Health in the local administration of relief. The Poor Law Amendment Act, 1834, gave extensive powers and placed heavy responsibilities on the Central Department, far more than later in the administration of public health. In the course of years detailed supervision diminished but was still extensive up to the close of the old regime; since the transfer there has been a marked reduction in the Minister's supervisory activities, although no substantial change has been made in its powers.

The position of inspectors in relation to the local Poor Law authority has always been purely advisory. Their position has, however, enabled them to exercise considerable influence.

A witness before the Royal Commission on the Poor Laws said:—

“An efficient inspector should be looked upon by the Guardians as their confidential advisor and friend. He should so direct his conduct that they should turn to him in any emergency. If he does that he is able as a matter of fact to settle a great many questions on his own initiative without troubling the Board.”¹

It was pointed out in the report of the Poor Law Commission that for the purpose of bringing about improvements in policy and uniformity the Central Department relied mainly upon its inspectors. On the transfer of the functions of boards of guardians it was generally considered that it should not be necessary for the Ministry to exercise such meticulous control over the Poor Law system as when it was administered by over six hundred boards of guardians, many of the members of which had very parsimonious ideas as to how the poor should be relieved.

Inspectors were very helpful in advising the new public assistance authorities after they had assumed their varied duties, which were transferred from the boards of guardians under the Local Government Act, 1929, and further experience of the system has convinced some

¹ i.e., the Local Government Board.

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who may at first have resented their powers that the inspectors desire only to be helpful. Their wide experience is always at the disposal of the authority when any major points of difficulty arise.

The inspector is no doubt generally consulted on any communication received by the Ministry upon the current public assistance work of an authority in his district. The public assistance officer often finds it helpful to discuss matters informally with the inspector before an official communication is sent to the Ministry. It is sometimes desirable that the authority should be informed as to the views the Ministry are likely to take of any proposal, such as alterations in the policy affecting institutions or any extensions to institutions. In such circumstances it is most helpful for the public assistance officer to be able to consult the inspector informally. This often facilitates the later official correspondence between the council and the Ministry.

It is the practice in many areas for copies of all minutes of the public assistance committee and sub-committees and agendas of meetings to be sent to the inspectors. By this system the whole policy of each public assistance committee can be seen by the inspector if he has time to peruse the many papers sent to him.

There is often criticism by local authorities at the length of time taken to obtain replies from Government Departments to letters sent by local authorities. I believe the Ministry of Health, on the other hand, sometimes experience difficulty in obtaining replies from local authorities to letters written by the Department. In such circumstances I understand it is not unusual to ask the General Inspector to see the clerk to the authority on the matter. It has not been unknown for the inspector to suggest to the clerk to the council the form of letter which might be acceptable to the Ministry as it is also not unknown for the Ministry to consult an officer of the local authority as to the form of letter which the Ministry should write to the authority on some particular matter. By these means the wheels of local government are often made to run more smoothly.

There are grounds for believing that the Ministry sometimes uses the General Inspector, or possibly an assistant inspector, to take to a clerk to a local authority, or the public assistance officer, a verbal reply to a communication when the Ministry does not desire to commit itself in writing.

OUTDOOR RELIEF

The Minister of Health is prevented by Section 1 of the Poor Law Act, 1930, from interfering in any individual case for the purpose of ordering relief, but it is not at all unusual for the inspector to raise informally with officers of the public assistance authority the question

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of the amount of relief being afforded in any particular case. Disgruntled recipients of relief who think they are not receiving sufficient relief sometimes write to Members of Parliament. The Member of Parliament concerned usually writes to the Minister of Health or asks a question in the House of Commons. The Minister cannot legally interfere with the relief, but it is his practice to refer the matter to the General Inspector for the area, who inquires from the public assistance officer as to the facts. Particular attention is given to these complaints, and the inspector often discusses the case with the public assistance officer. This is a convenient method to enable the Minister to reply to an inquiry without sending a formal letter to the council which might possibly be considered as an infringement of the prerogative of the public assistance authority to decide as to the amount of relief to be given in any individual case.

When the Poor Law system was administered by the guardians, the inspectors attended meetings of relief committees much more frequently than under the present system. This may be partly due to the fact that they have been given so many additional duties, but it is not unreasonable to assume that it may also be due to the fact that the new public assistance authorities can be trusted usually to administer relief in a more proper manner than was sometimes the case under the old system, although there are many divergencies of practice even at the present time.

More frequent visits by inspectors in some areas might probably be helpful. If relief in any area is definitely excessive the matter can be dealt with by the district auditor, and the members who authorised the relief can be surcharged. If the relief scales are inadequate suggestions might be made by the inspector informally to the public assistance officer, but in view of the fact that the cost of outdoor relief is entirely a local charge, many local authorities would be likely to resent any suggestions from the Ministry of Health through its inspectors as to the scales of relief which should be granted.

Not only public assistance officers but also relieving officers and chief officers of institutions have sometimes found it useful to discuss matters with the inspector, and by so doing have on occasion been able to secure improvements or alterations in the administration as the result of representations made by the Ministry of Health to the authority, which would not have been effected if the officer had merely reported the matter to his authority. It is open to serious question as to whether an officer of a local authority should make suggestions to an inspector of the Ministry of Health respecting the administration of his area, and it can well be argued that his first responsibility should be to report to his own authority. There is no doubt, however, that the Central Authority has encouraged General

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Inspectors to discuss local problems with local officials, and indeed it would be impossible for the Ministry to exercise its statutory supervision over public assistance administration if this practice was not adopted. In any event the Ministry of Health expects the senior officers of the public assistance authority to afford every assistance to the inspectors to enable them to discharge their duties under the Act. I think the inspectors would agree that this assistance is invariably forthcoming.

In conclusion, I would like to express the view that the general inspectors of the Ministry are always most helpful to the senior officers of Public Assistance authorities. I should be sorry to see the system discontinued but I hope that Parliament will soon find time to bring into operation a thorough overhaul of the provisions of the Poor Law Act, 1930, which imposes upon the inspectors, as officers of the department, the duty of interfering in many matters of detail which I think should be within the competence of the important local authorities which are now responsible for the administration of public assistance.

Whilst there is no doubt that the inspectors are extremely helpful to local authorities, instances sometimes arise where their seeking of detailed information on matters which do not appear to the officers of the council to be of outstanding importance, sometimes proves irksome. Fortunately, however, the inspectors do not exercise anything like as much detailed supervision over public assistance administration as they could do if there was sufficient staff available and they did everything which would come within their rights as officers acting for the Minister under the provisions of the Poor Law Act, 1930.

I hope I shall not be criticised for quoting somewhat extensively from a Report of a Royal Commission which was made thirty years ago. After exhaustive inquiry both at the offices of the Ministry of Health and elsewhere, I found that the only useful information as to the duties and functions of the inspectors is contained in that report, and nothing appears to have been published recently on the subject. I think it will be agreed, however, that valuable information on this, as on many other matters of Poor Law administration, is to be found in the Royal Commission's report. The continuity of Poor Law administration is indicated by the fact that the duties and powers of inspectors at the present time are very similar to those which they have held for over one hundred years, and a mere passage of thirty years since the issue of the Royal Commission's report has brought about very few alterations.

The associations representing the authorities to which the Poor Law functions were transferred in 1930 objected strongly to the

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detailed control exercised by the Minister of Health in Poor Law matters. The Minister took the view, however, that responsibility for Poor Law functions as they then stood should be taken over by county and county boroughs on the 1st April, 1930. It was judged that time did not admit of any alteration in the principles on which those functions were based by statute or statutory enactment, but it was agreed by the Minister that at an appropriate time after the new authorities had obtained experience of the work there should be full consultation between the Ministry and representatives of the authorities as to the changes requiring to be made. The Minister indicated that he proposed to enter into discussions as to amendments of the statutes and statutory enactments and to consult the local authorities associations on the matter.¹

The duties of the inspectors cannot be considered apart from the general measure of control exercised by the Minister of Health over Poor Law administration. It is now several years since the County Councils Association and the Association of Municipal Corporations made recommendations to the Minister with a view to the amendment of the Poor Law Act, 1930. When legislation is introduced to deal with this matter, no doubt it will be found desirable to give special consideration to the powers and functions of the Poor Law inspectors in order to further the desire of public assistance authorities that they should have a greater measure of control over detailed matters of administration.

¹ Letter from the Ministry of Health to the Association of Municipal Corporations—11th February, 1930.

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By H. R. HEPWORTH, M.Inst.C.E., F.S.I.
(Surveyor, West Riding County Council)

*[Paper to be discussed at the Summer Conference of the Institute
of Public Administration, Oxford, July, 1939]*

THE Ministry of Transport was set up by an Act of Parliament, passed in 1919, which imposed upon the Minister powers and duties in relation to railways, tramways, canals, roads and harbours, these duties being, for the greater part, transferred from other Government Departments.

The Act of 1919 provided that a separate department of the Ministry should be formed to deal with road construction, improvement, maintenance and development and power was given to the Minister to make advances out of monies provided by Parliament for these purposes. The powers and duties of the Road Board, which was set up under the provisions of the Development and Road Improvement Funds Act, 1909, were transferred to the Minister.

The Finance Act, 1920, and the Roads Act, 1920, brought into force a system of taxation, registration and licensing of mechanically-propelled vehicles and providing for the establishment of the Road Fund on January 1st, 1921. From this fund grants are made towards the cost of the maintenance and improvement of classified roads, grants being also given in appropriate cases towards the cost of unclassified roads.

The Roads Improvement Act, 1925, gave power to the Minister to conduct experiments or trials for the improvement of the construction of roads and later, in 1929, a Road Research Laboratory was established, the control of which is now vested in the Department of Scientific and Industrial Research.

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The Road Traffic Act, 1930, extended the powers and duties of the Minister in relation to traffic on roads and to motor vehicles, and provided for the prohibition or restriction of the use of specified roads, and for the regulation of traffic signals. Under this Act were also set up traffic areas and commissioners to deal with public service vehicles and road service licences.

The Public Works Facilities Act, 1930, enables the Minister to make orders authorising local authorities to acquire land for road works.

The Road and Rail Traffic Act, 1933, gave power in connection with the licensing of goods vehicles and further power to prohibit and restrict the use of vehicles on roads, orders for the adoption of one-way streets and for unilateral waiting of vehicles on highways being made by the local authority and confirmed by the Minister.

The Road Traffic Act, 1934, imposed a speed limit for motor vehicles of 30 miles per hour in built-up areas and made provision for the establishment of pedestrian crossings.

The Restriction of Ribbon Development Act, 1935, provides for the imposition of restrictions on building development on the frontages of highways, part of the restrictions being automatic in application and part enforceable by the highway authority after compliance with formalities and with the consent of the Minister.

The Trunk Roads Act, 1936, which came into operation on April 1st, 1937, transferred the control of 4,459 miles of roads, designated as Trunk Roads, to the Minister of Transport as Highway Authority and gave power to the Minister to make orders whereby lines of by-pass routes and diversions are protected under Section 2 of the Restriction of Ribbon Development Act, 1935.

The foregoing is a brief statement of the principal powers and duties of the Minister of Transport which have led to the formation of the organisation described below and which is located partly in London and partly in the provinces.

Headquarters in London is divided into three principal departments:—

- (1) Public Utilities, Finance and Secretarial.
- (2) Establishment.
- (3) Roads.

The Public Utilities, Finance and Secretarial Department is subdivided as follows:—

PUBLIC UTILITIES

- (a) Railway and Light Railways.

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- (b) Harbours, Docks, Piers, Canals, Tramways and Trolley Vehicles.
- (c) Electricity.

FINANCE

- (a) Votes, Accounts, Motor Taxation, Authorisation of Expenditure.
- (b) Payments and Finance Inspection.

SECRETARIAL

- (a) Parliamentary, Public Relations, Intelligence, etc.
- (b) Rates and Statistics.
- (c) Transport Accounts.

The Roads Department is subdivided as follows:—

HIGHWAYS

- (a) London Traffic.
- (b) Restriction of Ribbon Development, Highway Law Consolidation.
- (c) Trunk Roads, Acquisition and Management of Land.
- (d) Highways Policy, Loans, Compulsory Purchase of Land, etc.

TRAFFIC AND SAFETY

- (a) Construction and use of Vehicles, Highway Code, Driving Offences, etc.
- (b) Speed Limits, Pedestrian Crossings, Traffic Signs, Parking Places, Street Playgrounds, etc.

LICENSING

- (a) Passenger and Goods Services.
- (b) Registration and Licensing, Driving Tests, and Compulsory Insurance.

GRANTS

- (a) Issue of Grants for Maintenance and Improvement of Roads, Traffic Census, Road Classification, etc.

HEADQUARTERS ENGINEERING

- (a) General and Traffic Engineering.
- (b) Agency Services.
- (c) Bridges.
- (d) Trunk Roads.

Inspectorates as a Link Between Authorities

- (e) Experimental.
- (f) Mechanical and Vehicle Engineering and Traffic Lights.
- (g) Drawing Office.

The Provincial Organisation is as follows:—

ROADS DEPARTMENT

Eight Divisional Offices, each under the control of a Divisional Road Engineer and dealing directly with all Highway Authorities in the division.

Twelve Area Offices for Driving Examiners, each under a Supervising Examiner.

TRAFFIC AREAS

Twelve Area Offices, with Traffic Commissioners appointed under the Road Traffic Act, 1930.

The department as a whole is complex in character in that it is an inspectorate so far as control of public utilities is concerned; administrative in regard to Road Traffic Commissioners, etc., and of a composite character (with executive powers in certain cases) in the general duties of the Roads Department.

The public utilities enumerated in the departmental organisation are trading services established by private undertakers or the larger municipal authorities and the work of the Traffic Commissioners in the licensing and regulation of commercial and public service road vehicles can scarcely be considered a link between the central and local authorities.

It is the Roads Department, in its position as an authority in the administration of the road system of the country, which provides us with the greater degree of interest, and to which it is, therefore, proposed to limit the scope of this paper.

The original and the most important purpose for which the Ministry of Transport was formed was to assist in the improved maintenance and the development of roads by the distribution of national funds amongst the highway authorities. The statutory position of the highway authority was not in any way affected and the duties performed by the officials of the Ministry can be said to have been those of an inspectorate, concerned mainly with the distribution of grants, and—through the medium of the highway engineer—with the satisfactory and economic execution of the works.

The personnel of the Ministry was relatively small in numbers.

Throughout the life of the Ministry Acts of Parliament have been passed conferring new duties and responsibilities upon the Minister

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and to an extent which might justify a statement to the effect that the department has been more prolific in new legislation than any other department of the Government. The added duties have led to a serious increase in personnel.

In practically every case the executive duties of the highway authority were increased, with a consequent increase in expenditure and staff and at the same time the power of control exercised by the Minister, whether directly or by way of "Order," was made more complete.

The greater part of the expenditure incurred by a highway authority and accepted for grant by the Minister is on account of works of an engineering and constructional character, in which is expressed not only the technical ability and the individuality of the highway engineer but also his knowledge of local conditions and requirements. In design, in specifications and in the extent of the detail in which costs are kept there is a wide field for criticism and for suggestions of a character which may not result in improvement and which are outside the scope of a control exercised in the interests of uniformity.

The extension of the powers of the Minister and the increase in the percentage of grants to road works have undoubtedly led to an increase in the control of detail and to an extent beyond that usually associated with an inspectorate.

This development has probably been assisted firstly by the fact that in making grants of 100 per cent. of cost to special works in certain of the counties of small rateable value the Minister has, with the consent of the highway authority, undertaken full executive responsibility for construction and also by the fact that under the provisions of the Trunk Roads Act, 1936, he has become the actual authority responsible for the maintenance and improvement of certain roads, though delegating executive powers to the various highway authorities.

An answer to a question regarding the sufficiency of the numbers of the staff of the Ministry must depend upon the degree to which one is prepared to approve and support the control of constructional detail. It is held in some quarters that the technical departments of highway authorities have immeasurably increased in efficiency during the past 20 years; that the improvement in the roads is due in a large measure to them; that they are competent to design and to construct and that, therefore, apart from finance, the energies of the Ministry should be devoted more to development and co-ordination than to control of detail. If this opinion is sound, there is little doubt that the number of the staff of the Ministry is excessive.

The establishment of a provincial organisation has been beneficial.

Inspectorates as a Link Between Authorities

The divisional road engineers work under the chief engineer and receive their instructions from him. They attend periodic conferences in London when matters of importance and of procedure are discussed and an effort made to produce uniformity in administration.

They are in direct contact with the highway engineers in their divisions and are always available for consultation during the preparatory stages of any proposal and in an effort to avoid subsequent criticism and amendment. It can be said that a considerable degree of harmony is maintained in their relationship with the local authority.

There can be no doubt that local authorities recognise the value to the community of a Ministry of Transport. Apart from the very important question of finance, roads and road traffic have attained such a degree of national interest that it is no longer possible for the many highway authorities—each the statutory authority in its own area—to be free to develop their road systems in their own way and as a purely local problem. Uniformity in the standard of maintenance for roads of a given class, as well as in the principal characteristics of improvements, is essential and can only be secured through the medium of a central control.

Local authorities, so far as their financial position permits, willingly co-operate with the Ministry in any effort to attain this result. They feel, however, that in some matters of administration the headquarters staff of the Ministry are not sufficiently appreciative of the difficulties experienced in the provinces and are disposed to enforce what they deem to be desirable instead of that which is practicable. In this regard it does not infrequently happen that the Ministry enforce—as a condition for grant—the revision of a scheme of improvement on a minor road, designed to meet the needs of the immediate future, on lines more applicable to a major road.

The administration of the Restriction of Ribbon Development Act, 1935, also affords examples of inability to appreciate the local difficulties in that procedure has been adopted which definitely hinders progress.

In some measure, as, for instance, in the appointment of the Technical Advisory Committee, co-operation between the engineering department and the highway engineers has been obtained but it is considered that the basis of co-operation could profitably be extended.

Authorities are becoming seriously concerned with the tendency towards greater criticism and control of detail. It may be argued—quite reasonably—that whosoever pays the piper should call the tune and that, therefore, the Minister of Transport in paying the greater part of the expenditure is entitled to the fullest degree of

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satisfaction. But the Minister, by means of monetary grants and moral persuasion, encourages highway authorities to carry out their duties more efficiently and, with that end in view, to employ more staff. It may well be, therefore, that an increasing control of detail will lead to unnecessary duplication of staff and to delay of a most irritating character.

The increase in the number of returns and forms is substantial and is already producing greater intricacy in the system of costing which, obviously, should be of a practical and useful character, rather than perfect in minor and quite unimportant detail. In all constructional works, whether costed against a detailed estimate or a priced bill of quantities, there are numerous omissions and extras which are always determined by the Engineer responsible for the works. Very many of them are of a minor character and the final account may show a saving against estimate, yet all are liable to challenge, and the time taken in detailed investigation leads to delay in payment of grant.

Experience shows that there is a tendency towards greater delay—both in notification of grants and in payment of the final proportion of the grant.

The more general method of recruitment to the engineering staff of the Ministry is by public advertisement and the appointments are largely filled from the Local Government Service. There is much to commend in this method as the local authorities are the executive authorities and, therefore, the training ground in road administration. The advertised appointments are, however, generally for relatively junior staff.

Principles of Higher Control

By J. T. FOXELL
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[Paper to be discussed at the Summer Conference of the Institute of Public Administration, Oxford, July 1939]

IN the General Post Office, those officers who are not of supervising rank have their duties explicitly laid down for them in rule books. What is mainly required of them in their position is a knowledge of these rules and a proper attention to them, and, if they and we are content with their remaining in that station, accuracy and industry. Officers in the lower supervising classes are in no very different position. A knowledge of the rules, or at any rate that there are such rules and where they are to be found, carries them most of the way if it be combined with zeal to apply them; but a man or a woman who intends to rise in the Service by merit, and not merely by the process of time, requires not only these modest virtues and the desire for advancement, but also certain rather higher qualifications, which officially we call initiative, organizing ability and power of control, and which have in common the characteristic of being constructive. Such an officer is not a servant but an heir. "The servant knoweth not what his lord doeth"; but the heir, though subordinate to the master, has a growing interest in the concern. He is still bound by the rules, it is true, but he feels that they are his rules, and, though still obeying them, he has become a free man, and still more so in loyally administering and interpreting them.

Such is the position of the Supervising Officer, and such his mental and moral development as he is promoted from rank to rank. That

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position and those duties have been often discussed, and will go on being discussed, both informally as a topic of conversation among Supervising Officers themselves and in more set meetings such as Conferences of Head Postmasters.

But that is not the whole story. Let us go on to consider higher ranks still. The Supervising Officer requires virtues which the Rank and File do not. Is it likewise true that the officer exercising higher control requires virtues which a Supervising Officer need not possess? If the answer to this is no, then the problem of choosing from among Supervising Officers men or women who will excel in higher control is not difficult. Those who have done best hitherto are most likely to do best hereafter. But the position is not quite so simple as this. The higher control requires characteristics, outlooks, virtues, which not only are rarely found but which do not necessarily manifest themselves in the lower position or in the earlier years of a man's career or development. I should not be surprised—without mentioning names—if we readily recall to memory men we have served under, who must have been outstandingly efficient before they were promoted, but who in the higher positions have not succeeded for the simple reason that they are merely men of lower rank promoted, instead of men whose claims through higher merits to higher position have been recognized; and, contrariwise, men who have not been particularly successful in a lower rank but on promotion have developed and opened out rather to the surprise of their promoters and even of themselves. Is it always true that because a man has shown himself faithful in a very little he is fit to have authority over ten cities?

ACCURACY

Let me take in order the usual official virtues, and see whether they bear out my contention. I begin with the humblest, accuracy and industry. Discussing the French Civil Service some years ago in a book which was more clever than charitable, a prominent French writer said that the two chief virtues of a civil servant were *la paresse avec l'exactitude*. He argued that the first qualification which a superior civil servant looked for in a subordinate was an absence of mistakes. And years ago I heard a certain officer commended in these terms at Headquarters: "Mr. So-and-So is a good man; he will never let you down." In point of fact that man's virtues were entirely negative. He never made mistakes; and, as the French author argues, the safest way to avoid mistakes is to do as little as you can. So much for mere accuracy. It is essential in the lower ranks; desirable in the higher; but rather sinks into the background of the highest.

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INDUSTRY

Industry, likewise, though of course a virtue, can easily be too heavily stressed as we rise to the consideration of the higher ranks. I can remember a senior colleague—and there are one or two others still to whom his name may be known—who achieved a fairly high position, and who asserted that to the end he regularly worked twelve to fourteen hours a day. I believe he told the truth; but when in the course of official moves I became his successor's successor and had the curiosity to make discreet enquiries into his methods, I found that these long hours were much occupied in checking figures. He would sometimes find a mistake; and when he did, would rejoice as over a sheep that had been lost. When he came to the higher work, that which was more proper to his rank, then he was a tired man. Though men in high position have to devote long hours to work, yet five hours a day represents the time which can be spent on the highest work by a man of ordinary physical and mental powers before an insidious falling-off begins, unobserved perhaps by the man himself but quite possibly noticed by his immediate staff. Thus then industry is a virtue which in the highest positions requires a certain reevaluation.

In a work called the *Green Curve*, written before 1914 by Ole Luk Oie, there is a description of a staff officer in the course of a decisive battle going to find his general, a man of well-known and admitted ability, the leading general of his day, and finding him twenty miles behind the line fishing in a trout stream. The lesson, though drawn from fiction, is authoritative—and obvious.

ZEAL

Industry naturally suggests zeal. The expression "zeal and industry" comes trippingly off our lips. Zeal can be dismissed very shortly. It is, of course, a virtue in everyone—except in an ambassador, if we are to believe Talleyrand; but the Higher Controller will not make a parade of his zeal. He will no more be ostentatiously zealous than he will be ostentatiously sober. Zeal, like so many virtues, is a mean. The two extremes are neglectfulness and fussiness; and on the whole the latter is the worse. The former may do no good; but the latter will besides do harm. There is probably no one type that is a worse danger to the well-being of England and the peace of Europe than The Important Person, who, for his own glorification, will not let things be. "Study to be quiet." Furthermore, zeal itself is really neither good nor bad. It becomes a virtue not only because it is a mean, but because it is directed

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upon objects that are worth zeal. That is to say there must be a judicious sense of proportion. It is the mark of a petty mind always to exhibit zeal. It is better that our Higher Controller should incline the other way, and be disposed rather to dissemble his zeal with a certain playful approach even to important problems, as the poet said of the Men of Old:

They went about their gravest deeds
As noble boys at play.

I hope I have not conveyed the impression that the Higher Controller should go about in a condition of benevolent coma. Quite the contrary. He should be gifted with the power of paying alert and close attention the whole time. It is that demand upon him which makes it impossible for him, unless he is a most exceptional man, to be at his best—as I have already said—for more than five hours a day. Of all mental activity continuous attention is the most exacting; and to many the most irksome. This it is which brings about that unpleasant form of weariness, car-tiredness, after a long period of driving during which any relaxation may have disastrous results. So, like a driver, the Higher Controller cannot afford ever to slacken attention while he is exercising his functions; and even when he is not actually doing so, he cannot entirely relax his mind. Few men can so exert themselves, and very few will. Though lack of ability may preclude many men from such high position, lack of will cuts out many, too. Their will, which should manifest itself in close attention and proper interest, is not exercised; and they fail of the high position not because they could not achieve it, but, if the truth must be known, because with all their heart and soul they did not really and truly intend to achieve it.

EFFICIENCY

I pass now to another virtue, which I approach with a certain diffidence lest I be thought to be merely paradoxical; and that is the virtue of efficiency. It is a very high virtue. Broadly interpreted, it implies most of the others. In the lower supervising ranks and the middle it is the right orient gold; but I would modestly suggest in the highest ranks of all not that it is over-estimated but that it requires reinterpretation. To illustrate my point let me quote the case of an old Surveyor whose boast it was—and I have no reason to believe that it was not true—that he knew the Postal Order Ready Reckoner by heart and could add up a Postal Order docket all three columns at once. I admit that that is efficiency; but it is a low kind of efficiency, the sort of accomplish-

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ment which so far from being a qualification for a Surveyorship or even for an Assistant Surveyorship is rather, in the well-known words of Herbert Spencer, a sign of a misspent youth. Speaking generally I would suggest that in the highest places the official virtues—and efficiency among them—have to be transmuted and their values reevaluated.

As Falstaff was not so much witty as a cause of wit in others, so your Higher Controller must, whether he is himself efficient or not, be certainly a cause of efficiency in others. This, it may be argued, is of course in itself only another form of efficiency; but, anyhow, it is a reinterpretation of the term as commonly accepted.

In passing I should like to refer to one singularly insidious and bastard form of efficiency, which often does not betray its character till a man has achieved a high position, sometimes called Careerism. Many a young man—commendably enough—sets out with the firm intention of carving himself a career. He never lets his attention be distracted. He exemplifies indeed the prime value, as I have tried to show already, of attention as such and the whole-hearted intention to achieve high position. This much merit must be conceded to him. The dazzling heights lure him on. He does all his duties efficiently and certainly impressively. As an old Surveyor once said to me of such a young man, "it is not that he does important things but that anything he does is important," implying of course that there was misrepresentation of value for the sake of self-advertisement. Excellent as the performance of his duties may be both in quantity and quality in his younger days, though he may show himself alert to originate ideas and schemes, and though his intentions be unexceptionable, his inmost motive is wrong. He achieves his ambition, possibly quite early in his career, sometimes by methods in relation to his competing colleagues which are not quite scrupulous; but when that ambition is achieved and the top of his career attained, there is nothing more for him by way of incentive. He may remain ambitious because he always has been; but he has nothing left to be ambitious after. In the highest positions he makes an unpleasant chief to work under, for he still tends to regard his immediate assistants as potential rivals. Or, on the contrary, he may realize, he has got all he can get and, having no real love of the Service as such, be content to become lazy, and betray the true nature of the motives which have been his all through his service. Such instances—both kinds—may occur to our memories.

EXPERIENCE

I pass now to the discussion of experience. This should in the nature of things be rather the virtue of the old, as energy and

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initiative are of the young. Now a few in the highest positions are young men. One might, therefore, be tempted to look to the Higher Controller as a repository of official precedent and lore; but this, I submit, is wrong. One has a natural tendency to feel the Higher Controller ought to know more than his subordinates who consult him; that, like the young schoolmaster, he should always be at least one lesson ahead of his pupils; and I confess to such a feeling when consulted about a case. Yet surely it is a wrong feeling, and indeed almost ridiculous. How can a Higher Controller, however clever, compete with one of his clerks in knowledge of the details of that clerk's specialized duty? It seems more fitting the position of a Higher Controller to say "I know nothing of this. Tell me about it." He does far better to have an open mind, a mind unbiassed by anything—even facts. It is not for him to compete with members of his staff in a memory game. Memory is an odd faculty. No one can tell what he will remember or what he will forget; and if some men's memories are remarkable, their forgetfulness is even more so. Now in an advancing Service like our own a retentive memory may be a positive disadvantage. A man can take correction slips and bring his rule books up to date; but no correction slips are issued for our memories. To go to the root of the matter: experience is based upon two faculties, memorizing and remembering. These two are very generally confused with one another; but they are two separate faculties. Memorizing is essentially a young person's—a child's—faculty, which does not get better as years go on, but is atrophied through the practice of reading and writing. Remembering, however, is an intellectual exercise, which develops as the intellect develops. It consists in intellectual assimilation of facts or occurrences; and the fuller the assimilation the more completely has memory been taken up into the general body of experience. The higher we go in the Service, the greater and more thorough should be the assimilation, until in the highest positions experience should cease altogether to look backwards but have become a component part of the man's character, and look forwards, guiding him in his high duties,

Till old experience do attain
To something of prophetic strain.

It is a significant fact that the highest posts, not only in our Department or in the State but in commercial concerns too, are not seldom given to men whose past career has not prepared them with any—or much—detailed knowledge of the tasks they are to undertake. In lower preferments this is sometimes done; but, so far as I have observed, not with outstanding success. The man may

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do reasonably well; but another man with more relevant antecedents and possibly less general ability would have done better. After all we do choose a cobbler rather than a blacksmith to mend our own shoes. Yet with the highest positions the case is altered. We accept a man from outside not only with tolerance but with gladness. The inference is that either experience is not so important a matter in the highest places; or that the term experience means something very different from its signification in lower places. The latter is, of course, the true explanation. Experience—in whatever human activity it may have been acquired—has been entirely assimilated into the man's mental and moral whole; and, so assimilated, has made him the man he is, a man capable of undertaking the highest functions in any branch of administrative activity.

Before leaving this subject there is one other point I should like to stress: many men in Higher Control have had a science-education; but many have not, but may have envied the other kind of education—the humane and liberal. Of course I say nothing against that; but I do suggest that to have a mind fully adapted to the Higher Control a man should know at first hand the method of Science. He should have studied one special science to understand the true import of the word scientific. It matters little which science he chooses. Let him follow his own inclination. Let it be perhaps a no more serious study than is given the slightly depreciatory name of hobby, say—as some have chosen—geology—or botany—or astronomy. I have heard an educated man defined as a man who knows when a thing is proved. A Higher Controller should undoubtedly be an educated man; and to fulfil this definition a knowledge of scientific ways and methods is a very great help indeed.

THE HIGHER QUALIFICATIONS

So far I have been dealing with aspects of Higher Control which though important in themselves—once they have been reinterpreted—are less important than those which directly involve what physiologists call—or possibly called—the Higher Centres, which are—or were—supposed to be located in the higher part of the brain and are the finest product of human development, and most readily disturbed or destroyed by accident, illness or alcohol. These are the control and speech centres concerned with control of self, control of other men and rational intercourse with other men. In the form P.724 severals of the headings include them partly and piecemeal: judgement, personality, force of character, power of taking responsibility, initiative, power of supervising, power of organizing, report writing and even address and tact. The headings, however, all imply some

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of the other headings; no one heading can stand by itself. Thus I am driven in this discussion to resort to a rather different classification and nomenclature, especially since every characteristic also requires reinterpretation more or less. I shall not attempt to systematize the form P.724 as a help to a Higher Controller in the judgement of himself. That I think would not prove profitable; but, later in this paper, it may be worth while to touch on such a recasting as a help to the judgement of others. In presenting the Higher Controller I shall try and go forward as one subject leads to another, not necessarily in order of fancied importance, for that would be invidious; and, after all, different men lay different stresses, or it would be a dull world.

SELF-EXPRESSION

Ability to write a clear and intelligent report: no one expects the Higher Controller to be in the habit of writing reports, or to let much of his handwriting be seen except his signature, though from time to time a matter may present itself of such gravity or generality that only he can deal with it; but it is essential that he should have the gift of self-expression in a high degree. In general it is, I think, right to say that if a man cannot express his ideas, then he must have precious few ideas to express; and, conversely, if he can express his ideas, then he has the means of forming ideas and of constructive dialectics. With the possible exception of chess-playing (for I count music as a language in this context) mental activity can go but a little way without the use of words. Further, a man's views on things and general outlook are determined very much by his vocabulary. A slangy talker will have a slangy world view; a confirmed user of clichés will have a commonplace outlook; he who writes officialese will think officialese; the agricultural labourer with his stock of a couple of hundred words—well, “how can he know wisdom that followeth the plough?” And in my own District I find that those who speak Welsh habitually are restricted to such ideas as there are Welsh words for. On the other hand, in talking with an educated man, we feel that we are moving on a plane where broad and abstract considerations are being handled with confident knowledge, because the tools for the purpose are there.

I do think, therefore, that the Higher Controller should have, or set about acquiring, a mastery of the English language—especially the little words, which as they are learnt first, so seem to be first forgotten, and should set them in short sentences. Listening to Lord Baldwin speaking, I noticed that sentence after sentence came out in words of one syllable; and yet his meaning was as clear as if

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he had talked the technical jargon of politics; and, furthermore, he left me—and presumably his audience generally—with an impression of directness, gravity and simple honesty such as no polysyllables could have achieved. It is interesting to note how Shakespeare, fond as he was of fine words, when he came to some point at which emotion ran so deep that all ornament seemed out of place, could get his effect not in spite of but through the simplicity of his expression. Coming nearer our own times, A. E. Housman in his poetry affords a striking example. He uses like means in like circumstances and attains a like success.

I remember a Surveyor whom I served under at the beginning of my career who was rather prone to write reports on cases rather than to direct his assistants how to write them; but every report was a masterpiece. No one else in the Service, I believe, could have written such reports. Even the memoranda he wrote to me on slips seemed to effervesce with bubbling vitality, so much so that I used to feel tempted to save them both as models and as remembrances of his most attractive personality; and yet his words were of the simplest and his sentences short. The secret of this achievement is, I am sure, for the Higher Controller always to speak as he writes, and certainly to try to write as he speaks. The rewards will be a mind corresponding: a directness of approach to any subject, an ability to strip off such non-essentials and irrelevants as have come in under the cover of half-thought-out officialese diction—and a broad generous outlook.

So much for what is too often called "mere diction" or "only a matter of words" but which is indeed the main means for expression of the Self. After all, the Higher Controller is put where he is to express himself. Otherwise we could do without him.

CONTROL OF SELF

I have called him a Higher Controller. I should not have so called him or so chosen the title for my paper if I had not recognized that control is his main duty. This activity naturally falls into two parts, control of self and control of others. We are told that a man cannot control others unless he can first control himself. A pious sentiment; but have we not come across instances in our early career which do not agree with it? Still, in general, it is commonplace enough that your self-contained man controls better than one who lets himself go. The foreigners are more inclined to let themselves go, to talk in superlatives, to indulge in emotional outbursts and to threaten the last resort more freely than we do; and their subordinates accept these methods as appropriate to men in high

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authority. But Shakespeare has held up to us that type for our everlasting ridicule:

" But man, proud man,
Dressed in a little brief authority . . .
Plays such fantastic tricks before high heaven
As make the angels weep."

With us it is not so. As a certain political writer said of us three hundred years ago: "Those who govern most, make least noise." The ideal of our administration has always been gentleness and patience. Like players in a game of chess, we always try to look several moves ahead. No doubt, we say, we can gain our end, secure prompt obedience by blustering and raising our voices; but why create heat? Why provoke unnecessary rancour, which indeed later will or may be troublesome? This gentleness is, I think, an example of that irony which is so characteristic of us, which foreigners misunderstand and in which they see simply more of the typical hypocrisy and perfidy of Albion. By irony I do not mean sarcasm. "Sarcasm," as a witty writer said a long time ago, "is in general the language of the devil." However roused the Higher Controller may be, he will never be sarcastic. It is cheap; it creates bad feeling; it puts him in the wrong, and achieves nothing. Irony, on the other hand, if it is a vice, is one of the gentlest. Skilfully used it may disarm an opponent, but in so kind a way that it may make him a friend.

CONTROL OF OTHERS

I come now to the control of others: this faculty is listed on form P.724, not in so many words but as part of three, possibly four headings, especially Power of Supervising Staff. It is, however, one faculty, which from the lowest to the highest controlling officer is of very great importance, yet, alike with other characteristics, requires reinterpretation. The Overseer or the Supervising S.C. and T. controlling others, brings into play a faculty which bears little resemblance to that which the Higher Controller exercises. The Overseer applying the rules of the Service and knowing the minute-by-minute needs of his office and work, has to see that the men provided for him do the work provided for them, and in emergency takes the regular and simple course dictated to him by rules. He has the officer next above him in the hierarchy to consult, if need be; and is not necessarily thought worse of because he does so. As we ascend the grades we find that control—which is a negative idea

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and suggests the repression of exuberant energies—gives place to direction—which is more positive—and that again to inspiration in the highest ranks. The Higher Controller does not have to consider that he may be disobeyed—as if he were taking one of the lower forms in a school—and must be prepared to anticipate or suppress insubordination. He is rather in the position of a sixth form master, whose pupils are as ardent as he, are looking to their own careers, and have at heart the credit of their school. He should, therefore, eschew interfering with the course of normal discipline. If he should in his inspections observe some petty detail amiss, perhaps in conversation with, say, the Head Postmaster, he may later use his observation to point some argument of more general character, “as I could not help noticing in your sorting office the other day.” Of course, he will never spy. More than that, he will avoid all acts which might suggest to the staff—who are all too prone to believe that the higher authorities go about prying—that he is looking out for occasion to exhibit his quickness of eye. His demeanour will be that of keen but sympathetic interest. In casual conversation with officers of humble rank he will do what he can to end on a compliment.

In that connection I would observe that the Higher Controller will be always loyal to his staff. Stress is laid often on the duty of the subordinate staff to be loyal to their chief; but the converse, which is indeed the complement, is not so stressed. It may be urged that his subordinates are Civil Servants and not his servants, neither chosen by him nor paid with his money; and that it is his duty to direct, control and judge them indifferently and impersonally. That is all very true in theory; but in the best practice it is as false as any other half-truth. His success or failure as an administrator will in a great degree be determined by the loyalty of his staff, such loyalty as is felt by the staff to be mutual, and springs from a genuine recognition that their chief is loyal to them, and that he and they between them make up one living whole, which is warmed with encouragement or chilled with disappointment as one. So the Higher Controller will stand by any member of his staff who for any reason is under a cloud. He will be advocate and best friend before he is judge; and in any success achieved or commendation earned by a subordinate he will feel a gratification akin to that which he would feel for himself.

KNOWLEDGE

This remark brings me on to the subject of knowledge—not knowledge “of the rules of the office generally,” as on the form

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P. 724, but the knowledge of men and—more widely—the knowledge of man. The latter is essential in a Higher Controller; the former is a most desirable instrument in exercising higher control. The knowledge of man is not to be gained by the study simply of other officials but by venturing outside the Department in friendships and interests and by wide reading. It is in this respect that a man fails whose sole idea of a holiday is playing with a ball, as often as not with or within the narrow circle in which his duties enclose him; whereas a holiday may be far more valuably spent in rectifying the cramping effect upon the mind of work done for prolonged periods when one has been surrounded by the same faces and restricted to the same range of ideas. This effect may be achieved by resorting to the company of educated folk whose interests do not include official matters, by foreign travel or by seeking those consolations—one might almost call them—which, as Constable portrayed and Wordsworth firmly held, are offered by mountains and streams and solitary places, in fishing or sketching or climbing. Our Higher Controller will return to his duty not rusty or unwilling, but eager, with his views broadened and his knowledge of man appreciably matured. This study of man must begin in the more impressionable time of youth and go on right through life, although it shows its full value only when he reaches a position where the handling of men has replaced the handling of rules. For that reason we may often come across men who have shown up reasonably well in positions of subordinate control but who do not shine when they are put in higher positions. They know the Post Office official; but they do not know man.

Knowledge of men is another matter. That is the knowledge of the individuals over whom control is to be exercised. It may be contended that that is a task beyond the capacity of a man who has so very many subordinates; and yet I believe that one Surveyor giving evidence before the Hobhouse Committee asserted that he had acquired this knowledge. Anyhow, whether it be practicable or not, I am firmly convinced that the Higher Controller should always be widening his acquaintance by every means he can. The mongrel we know is always a better animal than the pedigree dog we don't. It is not fair that the accident of knowledge should sometimes give an inferior man an advantage over his better. No one can do the knowing for the Higher Controller. He must do it himself, year by year, widening the circle until it includes everyone who matters, and incidentally a great many more.

This study, like several others, is better done without system. System as such is neither good nor bad. All depends on the appropriateness of the subject for systematic treatment. There is

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nowadays a tendency to systematize everything; but it should be regarded with suspicion. The burthen of proof lies with the advocate of system. In its favour it may be urged that it saves thought, and avoids the administrative effort of handling problems singly; but against it there is the fact that it is a curtailment of the administrator's freedom of action. He voluntarily binds himself in advance to a certain practice or course of action which may or may not prove appropriate to the individual situations as they arise. As the highest authority on such matters has said: "Law fails through its universality"—that is to say it does not and cannot take into account the unpredictable circumstances of the concrete case. It has been the genius of our fellow-countrymen—to the vexation and despair of the foreigner—to work without system; and to succeed in unsystematic administration where the codes and principles of the other nations have failed; and our Higher Controller should remember the rock whence he is hewn. Where the subject matter itself is intrinsically systematic—well and good; but system should be our servant and not our master.

But to return to the main course of our discussion, *viz.*, the acquiring of the knowledge of men: it is enough if no visit takes place without some officers, as chance may happen, being added to the range of acquaintances. The same evening or, anyhow, a short while after, a note is made of the man met. To bring him back to remembrance it is better not to set out his official qualifications or anything formal or tabular, but to record some personal, possibly bodily, feature such as will at once individualize him, *e.g.*, "nose like Dante," "talked of music," "prominent teeth," "went to Italy in War," and so on. Such a note brings the man back before the mind's eye, and with his appearance revives the memory of the man as a whole. As occasion prompts, it is good to run over such notes and see how far they do bring back faces and, with the faces, personalities.

It is also no bad thing to make a note, when occasion offers, of any private or family topic which may have arisen during such conversation, not only to bring back memory of the officer but to help oneself to strike the right note in resuming conversation at a later date. Nothing will please a man better than if you start by asking after his son in Canada, etc., etc. This may be thought to smack of humbug. That depends entirely on the spirit in which the notes are made and used. If the Higher Controller has—as I think he ought to have—an interest in and affection for individuals as such, then notes like these will enable him to pursue that amiable bent to the advantage of the general atmosphere of his province. I keep a loose-leaf notebook, one page to an office, containing haphazard

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unsystematic memoranda and enter such notes as these. There is no point of keeping systematic notes. That is mere duplication of official records which someone can consult for me.

The essence of the matter is that all men should be treated as individual persons, not 3 S.C and T.s or 4 Postmen, but Mr. Smith, Brown, Jones or Robinson, each with his own life to live. This comes out particularly when appeals are being held or candidates being interviewed for promotion. We should remember that though such an occasion is a routine case for ourselves, it is a great day, a time of apprehension, for the other party: and we should enter as far as we can into the appellant's feelings. After all, some of us have been passed over in our time; and we can still remember what it felt like. The Higher Controller is, like the old Indian civilian, who gloried in the title, "the Protector of the Poor"; and can be a better friend to the appellant even than the U.P.W. representative possibly accompanying him. At the same time this must not resolve itself into sentimentality: Heaven forbid! For sentimentality is always unjust and often cruel. Nor must it ever appear as though the authority against which appeal is being made is now itself tacitly being impugned by you. It is still for the appellant to prove his case, and a captious appeal without proper ground is getting near to insubordination.

INITIATIVE

Initiative is a virtue in every class, and is encouraged not only in the Supervising Officer but in the Rank and File. The difference is that, being of the nature of a higher faculty, it cannot be demanded as a necessary characteristic of the Rank and File, but becomes more and more expected in an officer of the Department the higher his rank. Though the work is regularly used in reports on qualifications for promotion, it is an awkward word. It requires further definition before we can discuss it. I take it in its broadest sense to mean inventiveness, constructive ability and a readiness to meet new and unexpected situations. It is a faculty essentially positive. It is in that respect rather alien to the commonly accepted idea of the Civil Servant; but all the same in a Department like our own, which is half a Government Department and half a commercial concern, it is necessary in the higher ranks, if the concern is to develop and successfully meet circumstances which are ever changing.

Yet such initiative, though no doubt found among Higher Controllers, is no essential part of their equipment. One does not expect the Higher Controller to be inventive or to feel that it is a part of his function to originate. His duty is not so much to be original and ingenious or even ready-witted in crisis, but rather to

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be a cause, a stimulus, an encouragement to such activities in others. On the reception which he gives to the initiative of his subordinates will very much depend their enthusiasm and their development of creative ability. Speaking sweepingly, I think that Higher Controllers fall into two classes, which I will call the No-ites and the Yes-ites. Come to one of the former with a bright idea, and his first reaction will be to say No. He will first see all the objections. He will require you to meet these. He will be, in fact, analytical and destructive. Possibly you will convince him: but your first feeling will be one of discouragement. Such men are essentially safe men. Their saying No at first will give them time for consideration and save them from hasty acceptance. Nothing goes amiss in their provinces; but we cannot help wondering whether all that is good and that might well have been done is done. The Yes-ite's first response on the other hand is "That is a bright idea, new to me. Tell me all about it, and let us see if we can try it." He is essentially synthetic and constructive. In the end you may well find you have had to make your case as conclusively with the Yes-ite as with the No-ite; but you have begun differently. You have begun with encouragement and feel that, though your idea may not in the end have been accepted, you are not disheartened. No doubt all of us can recall instances of both classes, and know which we prefer to work under. After all, every act falls into one of two classes, the revocable or the irrevocable; and the former is the larger by far. So in the former case why not experiment with it and encourage the originator? The encouragement given is alone worth the risk. In the latter we naturally move more cautiously, but equally try to avoid giving grounds for disappointment.

Such then seems to be the meaning of initiative as applied to a Higher Controller. It indeed becomes nothing more or less than receptiveness, the keeping of the mind young, impressionable, elastic even in later years when it may tend to become ossified, arthritic, reactionary and even contemptuous of juvenile enthusiasms. With the receptiveness is required that power, which one finds only in the choicest of minds, of selecting and comprehending quickly the essential details of a scheme, seeing at once the implications and realizing the more general principles that underlie; and finally the resoluteness to take responsibility for the scheme and to see it through, despite difficulties and opposition.

CO-ORDINATION

This naturally leads us on to the consideration of the duty of co-ordination. In all ranks co-ordination has to be exercised, even in purely manipulative duties, where hand and eye—as in sorting—

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have to be co-ordinated. In the highest ranks of all, however, we look for co-ordination not of physical actions but of fellow men and their opinions. As with process of time our Department grows larger and larger, and has more and more diverse duties put upon it, the general run of officers cannot be expected to have anything but a particularized view. As we all know, the developments now actually taking place exemplify that tendency most strikingly. However, in consequence the duty of co-ordination presses and will press more heavily on anyone in a position of higher control. Contending claims are put forward and must be heard—perfectly justifiable claims perhaps but radically conflicting. What is the Higher Controller to do? He has the last word; he must not pass on his responsibility; and yet he knows that one at least of his advisers, though quite right in his contention, must go away disappointed. It is here that the great value of well-assimilated experience asserts itself. The Higher Controller will not pit his fading fragmentary memory of detailed knowledge acquired in earlier days against the recent information and specially presented arguments of his advisers. All that—so far as it is valuable—has long been absorbed and has gone to build up the inmost personality of the Higher Controller on his intellectual side, and has produced a width of vision which can transcend the sectional outlook of his subordinates. He will give his decision intuitively and unfalteringly. Sometimes he will not explicitly formulate, even within himself, the reasons which have led to that decision. Indeed it has been said that the wise man gives his decisions but never gives his reasons; for the decision will be right; but the reasons—as presented in words—may sound weak.

JUDGEMENT

I have left to the end the discussion of the most serious qualification of all, the heading in the form P. 724 against which we most hesitate to set an A, which once awarded we regard as the highest commendation of a man. Judgement is the most difficult subject to discuss. No man can ever be convinced that he is weak in judgement. I have noticed, when hearing an appeal and endeavouring to make the appellant understand why he has failed, that though it is difficult enough to bring home to him any shortcoming, it is impossible to make him convinced that his judgement is at fault. After all, it is only by his own judgement that he can judge himself, and the task is as hard as climbing on one's own shoulders.

We may distinguish two senses of the word judgement in this context. One is the judgement of men, and the other the judgement of situations. Of the latter there seems to be little to say except that, unlike the other faculties, it does not seem to be in need of

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re-interpretation relative to the Higher Controller. It is a faculty which is required in greater and greater degree the higher we go up in the Service. The Higher Controller may trust in another man's accuracy, industry, knowledge, experience, disciplinary power, and so on; but he must rely on his own judgement. It would be a slur on him if he were said to rely on another's judgement. He is there in order that he may pass judgement upon situations which are too hard or too grave for his subordinates; and if he will not do that, or cannot, then we can do without him.

As to the judgement of other men it is true to say that in the Civil Service everyone is being judged by everyone always. Superiors are always judging their subordinates; and subordinates are always turning on to their chiefs "that fierce light which beats upon a throne." However, it is with the former judgement that we are concerned. The Higher Controller must at all times be judging men; and so to do he must, as I have stated above, be able to judge man. He must have an intimate knowledge of human nature, not merely official human nature but human nature in the great world.

A measure of analysis is needed in exercising judgement. We get, in the first instance, what a late chief of mine used to call an "over-all" impression of a man; but since we have to compare the man with other men, more than this is required. We must be able to give a reason, to ourselves, if not to others, for the preference or for the repulsion that we instinctively feel; and that involves analysis. The form P. 724 gives little or no aid in this direction. We should do better to go right back to first principles.

In the Universe as we know it there are only three forms of value, *viz.*, truth, goodness and beauty; and in human character as we know it, there are but three kinds of merit, *viz.*, the intellectual, the moral and the æsthetic. These genera in their turn may be broken down into species. I will take the æsthetic first, as the simplest. This genus contains for the purpose of official appraisalment the two species, appearance and address, which may indeed be taken as two aspects of the same quality. Address is merely appearance in action; appearance is merely address in repose. They may not be dismissed as officially of secondary importance. It was said that

"there is no art
To find the mind's construction in the face";

but in actual practice we have to judge by appearance; and we do implicitly assert the validity of our judgement by our very surprise when we find ourselves deceived. After all, we are not often deceived. A man's character, especially as he grows older, does show

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itself in his face, his walk, his hands and in the way he dresses himself—even in the way he walks across the room when he is brought in for interview. A Higher Controller will—and certainly should—be able to form a fairly trustworthy judgement of a man merely by seeing him; though, of course, he will not be content to stop at that.

The analysis of the intellectual and moral genera is a more difficult matter. I put it forward with much diffidence and subject to correction.

The intellectual qualifications are: intelligence, attentiveness, knowledge, experience, organizing ability and judgement—in that order. The intelligence is the first requirement, a gift of Heaven. With it, through exercising attention, a man attains knowledge, which itself is stored in experience, which in its turn, as I have said above in another connection, should be so assimilated that it becomes a part of the man himself. But these attainments must be brought into official practice if they are to demonstrate their value. To do this requires organizing ability, and to bring them all to full fruition the faculty of judgement. All these must be judged by the Higher Controller to form a full picture of the man on his intellectual side.

The moral qualifications call for even more acute analysis. I take them to be honesty, strength of character, energy, tact, a sense of responsibility and a power of control. Honesty does not merely include integrity in money matters and truthfulness in discourse. We include also honesty of purpose and all that that implies in official activity and for the hopes we have of the man's future career. The others I need perhaps not comment upon further than to point out that in common with the first they concern the relations of the man not only with the Department but with his fellows and his subordinates, and culminate with the highest, that of control, just as the intellectual qualifications culminate in judgement.

This, as compared with the printed form P. 724, may seem a long and formidable list; but in actual practice applying the list to the individual case, I find it the reverse. In reporting upon a man or even in appraising a man to oneself, it is not necessary to mention explicitly all the points always. With many men most of the qualifications call for no comment, but one can at least be sure, by keeping the list before one, that nothing has been overlooked in the judgement of the man.

PUNISHMENT

The discussion of the high faculty of judgement as exercised by the Higher Controller naturally and logically leads to a consideration of the Higher Controller punishing. Now he should not merely

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administer the rules given him and observe the precedents in the determination of the penalties, but should be well aware of and have his own opinions on the subject of punishment in general, so that he may exercise a well-informed and ripe judgement, re-interpreting and even modifying the rules in accordance with its dictates. This subject, to be treated adequately, must be treated from first principles.

Why do we punish at all? There is an extremely modern view, or rather a view which its exponents have continually regarded as very modern for a long time past, that there ought to be no punishment, since all crime is a disease, and it would be cruel to punish an act due to disease. For an exposition of this view see the amusing pages of Butler's *Erewhon*; but I do not waste words on it since commonsense rejects it at once.

Three principal theories have been put forward: the preventive (or deterrent), the educative (or reformative) and the retributive theories.

According to the first view the aim of punishment is to deter others from committing similar offences. It is expressed in the familiar dictum of the judge:—"You are not punished for stealing sheep, but in order that sheep may not be stolen." If this were the sole object of punishment, it seems probable that, with the development of the moral consciousness, punishment would by now have been abolished; for it could scarcely be regarded as just to inflict pain on one man merely for the benefit of others. This theory, however, is not to be too lightly dismissed. No man "lives to himself," but is a member of Society, so that any offence that he commits is not only an offence against his own better self but an offence against Society at large and other individuals in particular. Society, as such, is bound to preserve itself, for only so will the individual be preserved, which after all is the first justification for the existence of Society at all. Now Society must have laws even as a game has rules; if you don't keep them, you are not allowed to play; if you play and break them, you must pay the penalty, or the game comes to an end. And, from a departmental point of view, after all it is not the Higher Controller's primary concern to make his subordinates better men and women, but to get the work efficiently and expeditiously performed; and primarily he punishes with that end in view. I do not pretend that this is the whole truth, and shall later show that it is not; but it is a theory which must carry more weight in a Department with specific functions than it does in the State as a whole, which exists for ends much wider and deeper.

The second view is that the aim of punishment is to educate or reform the offender himself. This appears to be the view most commonly taken at the present time, and best fits the humanitarian

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sentiments of the age. It is obvious that it would not justify the penalty of death, or indeed some other forms of punishment. Thus departmentally the punishment of dismissal is an entire disregard of this view, or, what is more probable, a confession that there are cases where the offence is so rank that the reformation of the offender is more than the Department can be expected to undertake or imagined to achieve; or again, since the Department has to look without as well as within, that the offence is such as would weaken public confidence in the Department if a man once guilty of it were allowed to remain in the Service, however well the Departmental Authorities themselves were satisfied that the offender had repented or, as it is said, had learnt his lesson.

This view of punishment then, however widely it is held, cannot be regarded as completely satisfactory; and indeed it is therefore not uncommonly held in conjunction with the deterrent view, that is to say that all punishment is a deterrent to others, but that it is also educative of the offender himself in most cases; and where it is not educative because the offender is beyond the reach of reformation, it is still justifiable as a mere deterrent. Cognizance must also be taken of cases where a man has no desire to be reformed. By what right do we aim at reforming such a man? Does not reformation require the co-operation of both parties, the offender as well as the authority?

The third view is the retributive view, viz., that the aim of punishment is to allow a man's deed to return on his own head. This is the view which has the best historical basis and appears to accord most nearly with the origin of punishment among early peoples; but in later times, especially in more highly civilized countries, there has been a tendency to reject it in favour of one or other of the two preceding theories, as resting on the unseemly passion of revenge. In this objection, however, there seems to be a misunderstanding. Revenge is condemned on account of the feeling of personal malevolence which is involved in it; but retribution inflicted by a court of justice need not involve any such feeling. Such a court simply accords a man his deserts. He has offended, and it is reasonable that the offence should return upon himself. Indeed there would be an inner self-contradiction in any society which abstained from inflicting retribution on the guilty. Suppose, for example, the Department has rules against stealing articles passing through the post, and yet allows a thief unable to make restitution to escape scot free. The rules would be little more than injunctions or recommendations to the staff at large, and would not have the force of imperatives, or at best they would be imperatives without ethical sanction. The departmental rules of conduct must be absolute imperatives which

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in themselves either must be able to prevent any violation of their commands, or else must in some way vindicate their authority when they are violated. Whatever divergent theories may be put forward, this at least seems to be the primary aim of punishment in general.

Bearing this view in mind, we see how important it is that retribution be rapid—a point which cannot be more emphatically stressed than it is in Manual E.1: “It is of the utmost importance that discipline cases should be dealt with expeditiously, so that if punishment is inflicted it may follow the offence as rapidly as possible.” The interval between offence and requital is a time of uneasiness, such an uneasiness as is felt by an accountant who for the moment at any rate cannot get a balance; and there is the suspicion that the offender is beginning to fancy he is escaping. On the other hand when the penalty is inflicted quickly, the offender learns to associate penalty with offence and to feel, if he does not understand, the inevitable connection of the one with the other.

I have said that the stigma of vindictiveness is removed from the retributive theory when the punishment is inflicted by a court, or, if it comes to that, by an individual in virtue of his forensic character. I am not sure that this statement does not require certain qualifications. There should be in the punisher a moral resentment of the offence. The controlling officer, as such, should not feel the same towards an officer on whom he is inflicting a punishment such as dismissal for a breach of a rule of conduct as he does towards an officer against whom he inflicts the record of a major irregularity or a small fine for an isolated breach of a departmental regulation. In a case such as one of flagrant dishonesty not only must he announce the decision, but should express in appropriate words and demeanour the detestation which he should feel. He should be like the judge in the Assize Court who never merely registers the verdict of the jury, but makes it quite clear to the condemned man that he fully deserves all he gets and that the offence is not neutralized merely by suffering a penalty, but that there must be a detestation of self as well, if the man is ever to return to civil life as a respectable citizen.

Thus, in a way the retributive theory logically involves the other two. If the aim of punishment is to vindicate the law, it will be partly achieved in so far as the offender is reformed, and in so far as similar acts are prevented; and conversely neither reformation nor prevention is likely to be effected by punishment unless it is recognized that the punishment is a vindication of the law. It is, however, only when an offender sees the punishment of his crime to be the natural and appropriate outcome of his act that he is likely to be led to any real reformation; and moreover it is only this recognition that is likely to lead others to any real abhorrence of

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crime as distinct from fear of its consequences. We may, in short, say that our aim is not merely to deter others from like offences, or to reform the man who is guilty, but to create such an attitude to the rules of conduct in the staff subordinate to us that they will abstain from breaches of these rules not because they are afraid of detection but because it has come natural to them to respect the rules of conduct as such. We may regard then the retributive theory, when thus understood, as the most satisfactory of all the theories of punishment.

Now it may very well be urged that this discussion of theory has led us to lose sight of the particular nature of the discipline that is to be maintained in a Post Office; but I do not think that that is so. If a Post Office is to be merely a body of men bound by an impersonal cash nexus, doing their work for the hours appointed and then going home with no further interest and no loyalty whatever, then this discussion I admit is vain; but if we regard the Department as a kind of State or Polity, we owe a loyalty to it; and it is our duty to do all that our position enables us to do in the way of raising or at any rate of maintaining its standing in the eyes of the outside world or, what to begin with is perhaps more important, in one another's eyes.

I think, therefore, that the Higher Controller should know exactly what he is doing and why he does it when he administers discipline. He and his subordinates together form an integral part of a living organism; and when it is his unfortunate duty to inflict condign punishment, he should be fully conscious of the ideal which he makes for. He will be anxious when an offence has occurred to have the offender punished as quickly as possible. He must feel that the occurrence is an insult to himself as Higher Controller, to the reputation of his staff and to the good name of his Department; and he must treat the offender in tones appropriate to such an occurrence; but his attitude must be kept carefully clear of anything in the nature of vindictiveness. On the contrary there is always room to consider lenience, especially in a first offence and in cases where the offence is obviously an isolated act, and no true expression of the offender's character. It is better to run the risk of under-punishing a man than of over-punishing him. Too great severity ruins the retributive effect of punishment by leaving in the offender's opinion the balance, which was once against him, now in his favour, and failing to create that proper aversion from rule breaking as such and that proper loyalty to the Department. Discipline in short is not a mere rooting out of weeds in the garden; it is the fostering of such flowers and fruit as bring satisfaction to ourselves and appreciation from outside.

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APPEARANCE

To complete the picture, something should be said about the Higher Controller's appearance and address. I think that my best course would be to leave Shakespeare to say it for me:—

LEAR: Dost thou know me, fellow?

KENT: No, sir; but you have that in your countenance which I would fain call master.

Municipal Trading—Water Supply

By NORMAN J. PUGH, Assoc.M.Inst.C.E., M.Inst.W.E.

(Water Engineer and Manager, Coventry)

[Paper to be discussed at the Summer Conference of the Institute of Public Administration, Oxford, July, 1939]

IT is understood that the submissions in this paper will be discussed at your Annual Conference and the author has, therefore, tried to avoid detailed treatment of any phase of waterworks administration as far as reasonably possible, whilst attempting to bring out matters of principle, particularly those calculated to promote discussion. If information given in certain connections appears to be inadequate, discussion at your Conference may offer an opportunity for enlargement on any aspects which your members consider should be amplified.

The part played in the general water supply of the country by municipally-owned undertakings may be gauged by the figures recently submitted to the Lord Privy Seal by the British Waterworks Association in connection with air raid precautions. It was stated that of the 40 million persons supplied with water from mains, 30 millions are supplied by municipally-owned undertakings and 10 millions by water companies.

Municipally-owned water undertakings are spared one item of expense which is incurred by most other municipal trading departments in that water undertakings do not find it necessary to advertise. Publicity and advertisement have become such a feature of modern trading and business that to be denied the necessity to introduce one's activities to the public by means of posters, press and slogan may be considered a disadvantage to the relations between water undertakings and the public whom they supply. One is frequently reminded by advertisement that "Gas is Surer," and that "Electricity is Cleaner," but although it should be unnecessary it might be desirable from time to time to remind the public that "Water is Essential."

Municipal Trading—Water Supply

Advertisement of products by any trading concern is normally directed to the increase of use or output. Appeals to the public by water undertakers are usually made to obtain a reduction in the quantity of water distributed.

A general administrative principle which applies to municipal trading departments, other than water undertakings, is that economy of production results from increase in consumption or user and it is the policy of the departments concerned to encourage greater use of the public services; but the reverse is frequently the case in respect of water supply as the price of water may be raised as a result of increase in demand. This particularly applies when the water requirements of a community increase beyond the natural local water resources and further supplies have to be acquired by bringing water into the area from more distant sources.

Before proceeding to deal with the various aspects of the actual administration of municipal water undertakings it can be premised that the operations of statutory water undertakers are controlled by local and general Acts of Parliament. There are eight general Acts having special reference to water supply, commencing with the Waterworks Clauses Act of 1847, and at present terminating with the Public Health Act of 1936. There are, of course, numerous other Acts affecting the general administration and operation of the undertaking as a whole.

In addition to the general Acts, statutory water undertakings have their own private Acts containing provisions peculiar to each undertaking. For example, the Coventry Corporation Water Undertaking is directly affected by no less than 21 local Acts.

In addition to legislative control, the Minister of Health has a controlling interest in many aspects of the work of water supply. The Minister, in addition to considering applications for alterations in scales of charges [under the provisions of the Water Undertakings (Modification of Charges) Act, 1921], and approving proposed works with a view to loan sanctions, issues circulars from time to time directing attention to the provisions which undertakers should make for the adequate and safe discharge of their statutory liabilities.

The desirability of the simplification of the waterworks code has been recognised by the Government and a Central Advisory Water Committee has been set up to advise on water supply generally and to consider the various Water Acts. The Minister of Health presented the second report of this Advisory Committee to Parliament in April of this year, together with the draft of a new and comprehensive Water Undertakings Bill. The passing of a Bill into law would be welcomed by those responsible for waterworks administration.

As the position now stands, the following salient points with

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respect to statutory water undertakings and their operation arise from the mass of legislative and ministerial control:—

- (1) Water supply is not a monopoly.
- (2) Water supply must be "pure and wholesome."
- (3) Supplies available must be "sufficient for the domestic use of all inhabitants."
- (4) Water undertakers cannot choose their consumers.
- (5) Within the area of supply for which they are responsible, (known as the statutory area of supply), undertakers must afford a supply for domestic use to any premises, provided adequate payment is tendered for the water.
- (6) Where mains are laid, water undertakers must provide water for fire fighting purposes.
- (7) Water undertakers may supply water for other than domestic use, *i.e.*, trade or industrial purposes.
- (8) Undertakers may supply water beyond the limits of their statutory area by agreement but without prejudice to supplies for all purposes within their own statutory area.

The foregoing are general provisions affecting all water undertakings but in many cases they are qualified and varied by local Acts. It will be seen that these primary considerations fall into two categories. (1) to (6) provide a basis for considering water supply as an essential service directly affecting the health of the community and the undertaking is reimbursed for these services by the domestic water rate. In affording supplies in accordance with (7) and (8) the undertaking is operating more essentially as a trading undertaking, trade and bulk supplies being afforded by agreement subject to the provisions of local Acts, but the affording of trade or bulk supplies is conditional on the prior availability of water for domestic use.

MANAGEMENT IN RELATION TO COMMITTEES AND COUNCIL

The Minister of Health, in a circular dated the 12th March, 1938, which was issued following a serious outbreak of water-borne disease, referred to water supply and its administrative relationships in the following terms:—

"The Minister would emphasise that the administrative responsibility for a service of such vital importance to health can only be successfully discharged if there is effective collaboration and co-operation between those responsible in their various capacities for the conduct and efficiency of the undertaking and between the water undertakers and the local authorities of areas

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served by them. It is essential that local authorities who are themselves water undertakers should ensure that the Water Committee and its officers work in close co-operation with the Public Health Committee and the Medical Officer of Health."

In the management of any water undertaking the absolute necessity to always bear in mind that there can be no departure from the standards of purity and sufficiency in the supply which must be maintained cannot but have its influence on administration generally. There can be no economy of expenditure if failure to undertake works or maintain staff would prejudice the safety of the supply either as regards adequacy of quantity or maintenance of quality.

These are the unremitting standards to be maintained and the means whereby they are obtained, and obtained, one hopes, reasonably efficiently and economically, are set out diagrammatically on Appendices 1 and 2 to this paper.

Appendix 1 sets out the relationship and deals with the functions of the Council, controlling and co-operating committees and also indicates the officials of the Corporation reporting to and advising the committee responsible for the control of the Water Undertaking.

In general terms the town clerk advises the committee on legal matters and matters affecting other committees, particularly the following committees which have a general controlling interest in all committees of the Council; the Estates and Parliamentary Committee; the Policy Advisory Committee and the General Purposes Committee.

The City Treasurer advises the committee on matters of general finance and represents the views of the Salaries and Finance Committees.

The Medical Officer of Health reports to the Water Committee with respect to the routine examinations of the water supply which he is by virtue of his appointment called upon to make.

ORGANISATION OF WATER UNDERTAKING

Appendix No. 2 typically sets out the organisation of a municipal water undertaking. It is hoped that the information given on this diagram will make it self-explanatory. It may be pointed out, however, that certain of the engineering posts shown in the administrative and supervisory section would probably be dispensed with in smaller undertakings, the posts being merged. The employment of a chief chemist would probably not be necessary unless considerable treatment works are required to deal with the water supply, otherwise it is quite usual for a public analyst or consulting chemist

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to be retained by the undertaking or there may be a municipal central chemical laboratory.

Specialists and engineering consultants are frequently called in by water undertakers in connection with the development of new supplies or major extensions of works. The employment of consultants is a matter of policy on the part of the controlling committee.

PERSONAL RELATIONSHIP BETWEEN OFFICIALS AND COMMITTEES

It is hoped that Appendix I will indicate the various sources of advice, co-ordination and control, all of which have their bearing and influence on any matter which the chief official of a municipal water undertaking may bring to the notice of his committee with a view to his recommendations, if acceptable, receiving the ultimate approval of the Council.

At first sight there would appear to be ample cause for delay and confusions of opinion under such a system but it is submitted that this should not and would not apply but for an obstacle which, for lack of a better term, might be described as "official dignity and status." In municipal work to-day there is a general tendency towards the breaking down of watertight compartments in administration and a chief official who is unapproachable and isolated, either when other officials wish to consult him on matters on which he is best informed, or who is not prepared to go to other officials having specialised knowledge for information and advice on their particular subject, is an uneasy cog in the machinery of municipal administration.

Friendly and co-operative relations between chief officials and their committees are essential for the smooth working of local administration.

The committee responsible for any undertaking of the corporation is charged by the city council with the duty of managing and conducting that Undertaking in all its aspects and it is clear that such a committee depends upon its chief official for the information and advice which will assist it in the discharge of its public duty.

The extent to which powers are delegated by the Council to committees and officials are so varied under different authorities that it is difficult to present a true picture of this aspect of municipal trading.

A criticism frequently levelled at the work of councils is that small detail is exhaustively discussed whereas major problems are not debated in proportion to their importance. In the case of large municipalities such detailed discussion of small matters is eliminated by delegation of powers to controlling committees and in turn by committees giving discretion to their chief official. It is very difficult

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to see how any hard and fast rules can be defined with respect to discretion which may be reasonably exercised and it is certainly not within the scope of this paper to make any suggestions thereon.

STAFF

The methods of recruitment in the municipal water undertakings are by no means uniform but the following may be regarded as generally representative.

Manual labour.—Taken on and dispensed with in accordance with the work in hand with a normal minimum establishment.

Skilled labour and Craftsmen.—Recruited by promotion from the ordinary labourers where this method may apply, otherwise obtained from the local employment exchange or by advertisement.

Clerical staff.—It is usual for a standard of education to be laid down by the municipality for the admission of junior clerical staff. Inter-departmental transfer of junior clerical staff is advocated and encouraged by certain authorities.

Senior clerical posts may be filled by promotion from the junior clerical personnel or in certain cases by advertisement.

Technical staff.—More opportunities now occur for junior servants of municipal authorities who have the necessary educational qualifications or who show the necessary aptitude to be permitted to obtain training and seek qualification for technical and professional posts, otherwise a system of pupilage with payment of fees covers admission to certain of the professional, engineering and technical staff appointments. Vacancies occurring on the technical staff may be filled by promotion from the department or as a result of advertisement in the technical press.

SELECTION OF STAFF AND EMPLOYEES

The method of appointments varies considerably. Junior appointments may be left to the chief officials or in some cases the chief official eliminates the number of candidates to one or two and the chairman of the appropriate committee makes the actual appointment. In the case of senior clerical and junior technical posts the chief official may make the appointment, in some cases assisted by his chairman or a small sub-committee.

Senior technical posts may be filled by a sub-committee with power to appoint or by the full committee with similar powers.

The method of making chief appointments again varies. Sometimes this matter may be delegated to the full committee responsible for the undertaking requiring the chief officer, or the committee may be authorised to eliminate the applicants to a select few who have, in the final stages of the appointment, to appear before the full council.

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It will be observed that there is no standard method of recruitment throughout municipal water supply service except that the authorities exercise greater care in the appointment of servants as the posts appreciate in importance.

The prospects which attach to the higher technical and clerical posts of water undertakings attract into the service university graduates and qualified accountants and technicians.

SALARIES AND WAGES

This subject could almost be a paper in itself so varied are the circumstances. It might be said, in general terms, that there is little uniformity and many anomalies in the salaries paid by various municipal water undertakings.

There is no apparent relationship between salaries paid throughout municipal water undertakings and the output of the various works as there is in the case of the municipal electricity undertakings in this country. The salaries paid by various authorities to their chief officials and deputies can generally be taken as an indication of the relative rates of remuneration which apply throughout the staff of those undertakings. The following table sets out the salaries paid to chief officials and deputies together with the average daily amount of water distributed for a number of municipal water undertakings. The disparity between output and salaries is apparent. It is obviously not desirable that the undertakings should be nominated.

Analysis of salaries of Engineers and Managers and Deputies of Municipal Water Undertakings, based on information obtained in May, 1936.

Average daily output of undertaking in millions of galls.	Salary of Engineer and Manager at May, 1936	Salary of Deputy Engineer and Manager at May, 1936
	£	£
3.43	950	400
3.62	1,000	600
3.72	1,250	500
3.81	900	—
3.84	1,185	500
3.84	700	410
4.85	1,000	300
5.01	800	—
5.11	1,100	500
5.56	675	175
5.96	845	300
6.18	800	425
6.44	1,000	600
7.13	1,000	550

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The wages of workmen are largely governed by joint industrial councils for waterworks undertakings industry operating in extensive geographical areas. Eight councils at present function in England and Wales. The rate of pay for labourers is taken as the basic rate and all higher rates of pay fluctuate with the labourers' rate. The area of each joint industrial council is zoned and the schedule rates vary within the area in accordance with the degree of urbanisation.

The wages of clerical, technical and general staff are usually on salary grades laid down by the employing councils and, in the formulation of these grades and working conditions generally, the methods and spirit of Whitleyism are prevalent, and are fostered by the work of the National Association of Local Government Officers.

Salaries of senior technical and administrative officers are usually specially considered, appointments being advertised at stated salaries and being subject to conditions agreed between the officer appointed and the council.

DEVELOPMENT OF WATER UNDERTAKINGS

The basis of charging for water and the circumstances affecting revenues are dealt with later in this paper, but for the moment it may be said that the probable income of the undertaking can be reasonably accurately estimated for each financial year. In respect of the domestic supplies it is a function of the annual value of the premises supplied.

Superimposed on the revenue accruing from domestic consumption are receipts for trade and bulk supplies which are usually charged for by volume. In many instances trade supplies provide a very small percentage of the total income, but where income directly from trade supplies is considerable it can be fairly definitely estimated. Thus, for each financial year, the expenditure is budgetted for in accordance with the estimated income.

There is a wider aspect, however, of waterworks finance which is bound up with the fundamental circumstances of the development of water supplies.

There is no doubt that the cheapest method of obtaining water is to have your own shallow well. Small communities having a local supply, preferably from underground, may get their water pumped into supply for, say, 3d. per thousand gallons. Larger communities, having to augment their inadequate local supplies from a distance, possibly find their cost per thousand gallons of water delivered into their service reservoirs something in the neighbourhood of 1s. per thousand gallons.

Water cannot be generated or produced on the spot. Communities which have become sited for industrial or any other reason in

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areas lacking in local water resources must first seek power to obtain water where nature has supplied it in sufficient quantities for their needs and make this water available to the community requiring it by conveying it from its natural source to the unnaturally-sited community. The conveying of large quantities of water is expensive because of the peculiar quality of water in resisting any concentration of its bulk.

Another factor is that a supply of water cannot be acquired at a minute's notice. A statutory undertaking has first to obtain the consent of Parliament to permit the development of a new source of water supply. This is frequently a long and tedious business and may be the subject of considerable opposition.

Even when power to establish waterworks has been obtained and the authorised works completed, statutory undertakers are not generally protected against private or industrial exploitation of water resources. There is a danger, particularly in the case of underground sources of supply, that undertakers may find their supplies depleted by private individuals without any remedy. Private wells and supplies generally, however, are protected against depletion or interference by the works of statutory undertakers.

As a result of the foregoing consideration it is necessary to take a long view in legislating for the development of sources of supply in relation to probable demand. There should be no question of living from "hand to mouth" and an adequate margin in the supplies available must be maintained as a principle of sound waterworks practice.

In submitting schemes for major waterworks to Parliament provision is frequently made in the proposals for the probable future requirements of undertakings for as long periods as from 30 to 50 years.

As a typical example, the scheme for which Parliamentary sanction is now being sought by the City of Coventry to develop a source of water supply from the River Severn may be quoted. The fully developed output of the proposed new works will be ten million gallons per day, which is in itself more than the present average daily consumption within the statutory area of supply.

In the first instance the scheme will be developed to provide for treating and delivering into supply a quantity of five million gallons per day. This water, together with the potential producing capacity of the corporation's other sources of supply, will then exceed the immediate demand and the decision as to which of the available sources should be temporarily taken out of commission or restricted in output has to be made on grounds of economy of working and general departmental policy.

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The output of the proposed River Severn Supply Works will be developed in accordance with the increase in demand for water.

It will be appreciated that in purchasing land and easements and providing pumping station buildings, pipe bridges over rivers, canals and railways, and constructing certain other portions of the scheme full provision will necessarily be made in the first instance for the ultimate development and output of the works. This imposes a financial burden on the undertaking in respect of capital charges which increases the price of water produced in the earlier stages of the scheme and remains as a spread over additional cost until the source of supply is fully developed and produces water up to the limit of its capacity.

The ideal situation from an industrial production point of view, where the whole of the available plant is working to capacity, can never be realised in water supply. It is standard practice to provide duplicate pumping units and adequate margins in treatment works to obviate the risk of failure of any source of supply and well before existing works are fully productive new sources of supply must be in the course of development to provide for the future.

From a financial point of view the promoting of such a scheme as that which Coventry are now seeking power to develop requires very careful consideration and it is not only a question of what quantity of water is required but how can the requirement be met safely as regards quantity and quality without imposing too great a burden on the undertaking and without raising the water rate beyond a reasonable figure.

The general policy of financing the development of a water undertaking should be, and usually is, a matter of consultation between the chief official and the treasurer who, in any case, will advise the water committee on the adoption of any policy recommended to them.

Costs of repairs and renewals and replacements of existing plant and buildings and work of a capital nature incidental to the upkeep of the department are usually defrayed from the reserve fund which is accumulated from the possible profits of the undertaking. The amount of money which may be held in reserve is usually limited by the provisions of local Acts peculiar to each authority as is also the sum which may be set aside in any one year.

As an example, in the case of the Coventry Corporation Water Undertaking, the Reserve Fund must not exceed 10 per cent. of the total capital expenditure of the undertaking and the maximum amount which may be set aside in any one year is 1 per cent. of the capital expenditure.

If in any one year the net profits of the undertaking exceed the

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cost of capital works proposed to be defrayed from Revenue Account by a sum greater than that which may be transferred to Reserve, a surplus will accrue which, if too great to be carried forward, indicates that a reduction in the water rate should be made.

A disproportionate allocation of money for capital expenditure from Revenue in any financial year would be discouraged, it is hoped, by the management of the undertaking, failing which the treasurer might draw attention to the circumstances, or again the Minister of Health may exercise his discretion under the Water Undertakers (Modification of Charges) Act, 1921, and require that the charges for water be reduced.

The policy of limiting profits and paying for mains extensions and other new works from loan or the alternative of making the water rate sufficient to defray the annual mains programme out of revenue; the policy of extracting the full statutory return from industrial premises; and such matters of major financial and departmental policy are recommended to the council by the controlling committee after consideration of the recommendations of the chief official of the undertaking. The advice of the town clerk and the treasurer to the committee has a bearing on their decision in these matters.

By a readiness to consult with the town clerk and the treasurer and to approach chief officials of other departments and undertakings on matters which by virtue of their specialised knowledge they are best informed, the manager of a municipal trading department can ensure the smooth running of the undertaking within the corporation service.

It will be appreciated that principles may be affected by expediency so that whatever general statements may have been made in this paper it is by no means to be assumed that there is any rigidity in their application.

AREAS OF SUPPLY

Following the formation of the Central Electricity Board, the possibility or desirability of forming a "water grid" has been the subject of considerable discussion. The most economical system of water supply is by localities, each with its local source of supply which can be economically developed and distributed without long lengths of large capacity mains which are not revenue producing.

If sources of supply were universally available and equally distributed over the countryside a system of local supplies, with linking mains to render such supplies interchangeable in the event of breakdown, pollution or damage, would present an ideal situation, but this Utopian condition is prevented by the facts that water resources

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are by no means evenly distributed and industrial communities have sprung up in places where there is no adequate natural water supply. Furthermore, the areas where water is most readily available are practically uninhabited.

There is no doubt, however, that it will be an advantage when the present splendid isolation of municipal and company water supply undertakings can be broken down and a policy of mutual help and pooling of available and potential supplies be substituted. The setting up of Regional Advisory Committees on water supplies reporting to and advising the Minister of Health from a regional angle is calculated to help in this direction.

Although one must deplore from almost every angle the necessity for the air raid precautions schemes now being put into effect up and down the country, there is one considerable advantage to be found in the fundamental principle of air raid precautions for water undertakers which directs that the supplies of neighbouring authorities should be linked together for interavailability in case of emergency. In happier circumstances one would hope to see the expenditure on these intercommunicating mains made profitable by their use for supply purposes.

A consideration which may be regarded as a limiting factor of any scheme of nationalising of water supplies is the natural water catchment areas into which the country is divided.

Navigation authorities, catchment boards, fishery boards, mill owners and riparian owners and other interests are prejudiced if under any water supply scheme it is proposed to transfer water from one catchment area to consumers in another watershed.

In considering this problem generally it should be borne in mind that whereas, within reasonable limits, electricity or gas can be produced at conveniently sited spots strategically placed having regard to the existence of consumers, drinking water can only be produced where nature provides the raw material, and the conveying and distribution of water is an expensive business.

WATER CHARGES

The underlying principles of charging for water may be summed up in a series of references to various Acts of Parliament at present regulating supplies and charges for water.

By Section 35 of the Waterworks Clauses Act, 1847, it is the statutory duty of the undertaker, "to provide and keep in the pipes to be laid down by them a supply of pure and wholesome water sufficient for the *domestic use* of all the inhabitants."

This provision is similarly made in Section 111 of the Public Health Act of 1936, and Section 112 of the latter Act covers the supply

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of water for other than domestic purposes in these words, "A local authority who supply water for domestic purposes may supply water for any other purposes."

By Section 114 of the Public Health Act, 1936, a water undertaker is empowered to sell water in bulk to other undertakers outside the area to which their statutory liability applies, but there is a proviso attached to any supply thus afforded to the effect that such action "is not likely to interfere with the supply of water for domestic or other purposes" within the undertaker's own area.

The essence of the above provisions is that a water undertaking must provide adequately and safely for domestic supplies but may afford supplies for trade or other purposes or sell water in bulk to another undertaker so long as such supplies do not prejudice the statutory liability of the authority.

The basis of charging for water supply for domestic purposes is laid down in Section 68 of the Waterworks Clauses Act, 1847, which provides that "the domestic water rate shall be payable according to the *annual value* of the tenement supplied."

These quotations and their implications appear perfectly simple until one comes to consider the definitions of "domestic use" and "annual value" in respect of water charges.

The former has been defined and qualified from time to time, and as a result of cases arising out of charges for water further qualifications and alterations of this definition are added periodically in accordance with decisions given in the courts.

One has only to refer to the British Waterworks Directory, which summarises water charges for nearly all water undertakings, to see how, in different areas, annual value may be varied in accordance with the provisions of the private Acts of different undertakers. Of the 127 municipally-owned water undertakings in England and Wales given in the Directory for 1936, the bases of the annual value are as follow:—

0.8 per cent. rack rent.
2.5 per cent. annual value.
2.5 per cent. gross annual value.
5.7 per cent. rateable value.
8.0 per cent. gross value.
10.3 per cent. gross estimated rental.
70.2 per cent. net annual value.
—
100.0 per cent.

Thus, the very basis of water charges, *i.e.*, annual value, differs throughout the country, and superimposed on this variation are

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the varying water rates which the individual authorities have power to impose.

The maximum rate in the pound which may be demanded by any authority is defined by their local Acts or may be fixed by a Provisional Order of the Minister of Health. Application to alter the maximum water rate which may be imposed may be made to the Minister, and he has power to grant or refuse such increase after an inquiry, or if a private Act of Parliament is being promoted provisions concerning alternative water rates may be included. The actual rate levied in any one year up to the statutory maximum is recommended by the controlling committee of the undertaking and approved by the Council.

The basis of charges for trade supplies is usually by meter. The unit adopted for charging is per thousand gallons. The maximum price per thousand gallons which may be charged is defined in a similar way to the maximum domestic water rate, and powers can be obtained to vary the metered supply rate in the same way as the domestic rate. It is usual to fix a sliding scale for metered supplies of which the following is typical.

First 250,000 galls. per quarter	...	...	...	1/9 per 1,000 galls.
Next 250,000 " " "	...	...	...	1/6 " " "
" 250,000 " " "	...	...	...	1/3 " " "
" 250,000 " " "	...	...	...	1/1 " " "
For any excess over 1,000,000 galls. consumed on				
one premises per quarter	...	...	...	1/- " " "

Large bulk supplies to other undertakings are usually by agreement.

The matter of charges has only been dealt with briefly, because if one becomes involved with the various anomalies and complications in these matters it may obscure what is probably more important from an administrative point of view—the principle involved as the basis of charging for water.

Payment for water is not extracted from the consumers in proportion to their direct benefit from the service but in accordance with their ability to pay as measured by the value of the premises which they occupy. Thus, Parliament has recognised water supply as an essential community service in providing that it shall be paid for on the same basis as the other essential services provided from the General Rate Fund. Even where supplies are afforded by meter the underlying principle of contributing to the water supply in accordance with ability to pay should not be lost sight of.

The reason for metering is to secure payment for water used for special purposes where the value of the water supplied would exceed the rates payable in respect of the annual value of the premises on which any trade or industry is carried on.

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Thus it is suggested that the basis of payment for metered supplies should be a minimum charge equivalent to that sum which would be payable if the premises supplied were subject to the ordinary method of charging (*i.e.*, by rate) plus a payment in respect of the facility of being provided with a meter.

If the value of the water consumed on the premises at the meter rates which apply does not exceed the minimum charge on the annual value basis then no further payment should be due from the person supplied except meter rent, but if the value of the water exceeds the minimum charge then payment would be made in accordance with the quantity consumed.

Municipal water undertakings through their special Acts frequently have power to supply water for trade purposes at a price to be agreed subject to a maximum price per thousand gallons and the actual rate charged may be dictated by policy rather than principle.

The same fundamental principle is the basis of special charges. The water rate paid in respect of any premises covers the requirements of the occupants of those premises for domestic purposes. Any special facility for the use of water which is not normal domestic use, having regard to the annual value of the premises supplied, must be paid for as a special charge in addition to the basic charge on annual value.

Arising from the principle underlying charges for water which is ability to pay as measured by the annual value of the premises supplied and not on the actual quantity of water which may be consumed, it is evident that Parliament in its wisdom views a public supply of water in the same light as other necessary public services. The justification of this view is supported by a consideration of the conditions which might arise if water were paid for in the same manner as gas and electricity, *i.e.*, by the quantity consumed, unless the rates to the poorer-class properties were scaled down in relation to properties of higher annual value. Universally metered supplies at a flat rate would evoke in many of the poorer classes a tendency towards the sparse use of water and in extreme cases there would be an insufficient use of water which would endanger the health conditions of the entire populace rich and poor alike. The subsidising of smaller premises by the occupants of more pretentious dwellings enables an abundant supply of pure and wholesome water to be available to all classes of the community.

RELATIONSHIP BETWEEN WATER UNDERTAKINGS

Reference has already been made to the Regional Advisory Committees on Water Supplies, whose function is to advise the

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Minister of Health on water supply problems in the areas in which they operate. These committees also provide a means whereby water undertakers may meet representatives of other authorities and appreciate each others' problems.

The movement of members of the staffs of water undertakings provides a very important channel of liaison. The advertising of vacancies in all grades of the service and the filling of these posts by selection gives rise to a circulation of personnel, and the contacts made in the course of an officer's career are often of value to him personally and to his authority when difficulties and problems have to be faced.

The British Waterworks Association affords another means whereby those responsible for the administration of water undertakings, through the medium of the meetings and conferences of the Association and the circulars and publications which are issued, can keep in touch with the developments affecting their responsibilities.

WATER UNDERTAKINGS IN RELATION TO OTHER MUNICIPAL DEPARTMENTS

Reference has already been made to the functions of the Town Clerk and Treasurer in their advisory capacity to the controlling committees of municipal water undertakings. The departments for which these officials are responsible constitute a source of information and advice to the chief official and administrative staff of the water undertaking and the friendly co-operation between the staffs of the undertaking and the departments mentioned is essential if the working of the undertaking is to fit easily and efficiently into the general and financial policy of the Corporation as a whole.

I have quoted a reference from the Minister of Health's circular of the 12th March, 1938, which indicates the necessity for close co-operation between the controlling committees of the water undertakings and public health committees of the municipalities within the area of supply of that undertaking, and the establishing of mutual confidence between the chief official and the Medical Officer of Health of those areas in which his undertaking affords a supply is of prime importance.

On Appendix I other co-operating committees are indicated, and the fundamental points of co-operation are indicated. As a point for possible discussion the relation of water supply to the municipal gas and electricity undertakings might be mentioned. As leading up to this point, references have been made in this paper to the fundamental differences between the water supply industry and the gas and electricity undertakings, and it is not considered necessary to reiterate the facts at this stage.

The possibility of combining, under unified control, the various

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corporation trading departments has been mooted from time to time. In this connection it is suggested that in most corporations the necessity for a common general policy as to industrial supplies, general development of the area, town planning and the general development of the municipality, must result in a common policy, and this co-ordination is properly supplied through the medium of the Town Clerk.

The general financial policy of the corporation and the responsibility for the final accountancy of all undertakings and departments is quite reasonably the special function of the Treasurer and primary records and departmental accountancy systems, if they are to be economical and efficient, must be designed to provide the Treasurer with the necessary information for his summarising and presenting of statements.

In these two directions there is a very desirable measure of co-ordination, and it is questionable whether it is possible to group water supply more intimately with the other municipal trading departments.

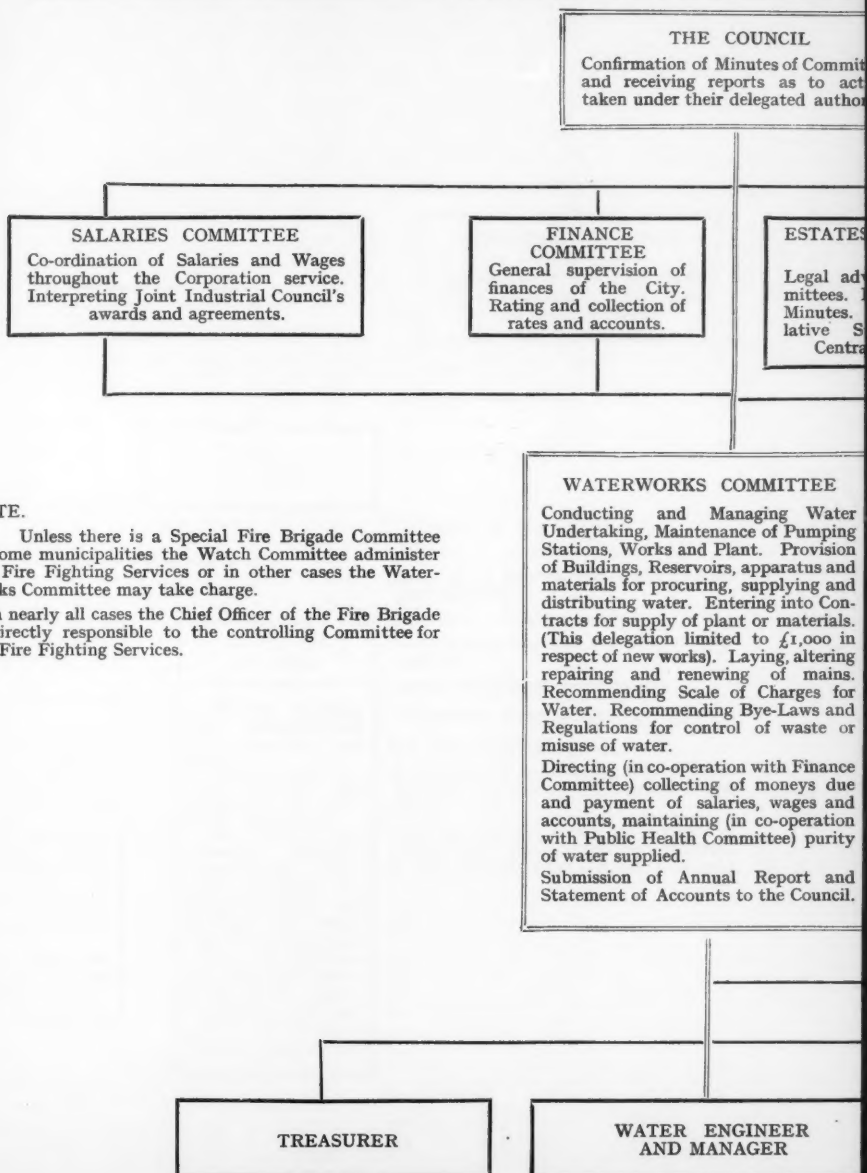
Quite apart from the essential differences in the character of the services which have already been mentioned there is the question of the responsibility which rests on the controlling committee of a water undertaking in relation to public health and on those responsible for the administration of the undertaking under that committee. The Minister of Health in the same circular, which has already been referred to, lays stress on this in the following words:—

“The machinery and methods of control, which must necessarily vary with the circumstances of different undertakings, are matters for the decision of the responsible authorities themselves, but it will be realised that the first necessity is that the undertaking should be under the supervision of a qualified engineer who, in the case of the larger undertakings owned by local authorities, should be a chief officer of the authority directly responsible to the appropriate committee, and in all cases should be in a position to give detailed personal attention to the work.”

It is hoped that a sufficient number of points of a debatable nature may have been presented in the foregoing paper to give rise to a useful discussion.

MUNICIPAL TRADING — WATER SUPPLY

TYPICAL RELATIONSHIP BETWEEN MANAGEMENT, CONTR



NOTE.

Unless there is a Special Fire Brigade Committee in some municipalities the Watch Committee administer the Fire Fighting Services or in other cases the Waterworks Committee may take charge.

In nearly all cases the Chief Officer of the Fire Brigade is directly responsible to the controlling Committee for the Fire Fighting Services.

MENT, CONTROLLING AND CO-OPERATING COMMITTEES

THE COUNCIL

of Minutes of Committees
g reports as to actions
their delegated authority.

ESTATES AND PARLIAMENTARY COMMITTEE

Legal advice to Council and Com-
mittees. Preparation of Committee
Minutes. Parliamentary and Legis-
lative Supervision. Control of
Centralised Municipal Offices.

POLICY ADVISORY COMMITTEE

Advising on recommendations
of Committees as affecting the
general policy of the Council.

WORKS COMMITTEE

Managing Water
Maintenance of Pumping
and Plant. Provision
ervoirs, apparatus and
curing, supplying and
r. Entering into Con-
of plant or materials.
limited to £1,000 in
rks). Laying, altering
renewing of mains.
Scale of Charges for
ending Bye-Laws and
control of waste or

operation with Finance
cting of moneys due
salaries, wages and
ning (in co-operation
th Committee) purity

Annual Report and
counts to the Council.

CO-OPERATING COMMITTEES

PUBLIC HEALTH — Examination of water and r

FIRE BRIGADE — Water supply for Fire-Fight

GENERAL WORKS — Street openings, co-ordinat
instatement of trench

TOWN PLANNING — Protection of gathering grou

ELECTRICITY — Supplies of current to elec
and general co-operati

GAS — Co-ordination of main-laying

WATCH — Road openings, traffic regula

AIR RAID PRECAUTIONS — Co-ordination of A.R.

All other committees affect the work of th
time but constant contact is maintained betwe
the above committees on the issues mentioned.

Where annual contracts are entered into l
materials largely used by the department cont
their supplies under the same contract (e.g. City
for cement, sand, road materials, etc.).

R ENGINEER
MANAGER

TOWN CLERK

MEDICAL OFFICER
OF HEALTH

MITTEES AND COUNCIL.

Y

ions
the
ncil.

GENERAL PURPOSES
COMMITTEE

Preparation of Standing Orders
for the regulation of the Council
and its Committees.

S

of water and report as to purity of supply.

for Fire-Fighting — see NOTE opposite.

gs, co-ordination of main-laying programme, re-
ment of trench surfaces.

gathering grounds of sources of supply.

urrent to electrically operated pumping stations
eral co-operation.

of main-laying and general co-operation.

s, traffic regulations, protection of properties.

nation of A.R.P. measures.

the work of the water undertaking from time to
ntained between the Waterworks Committee and
es mentioned.

entered into by any committee for supplies of
partment controlled, other departments purchase
tract (e.g. City Engineer's Department. Contracts
etc.).

L OFFICER
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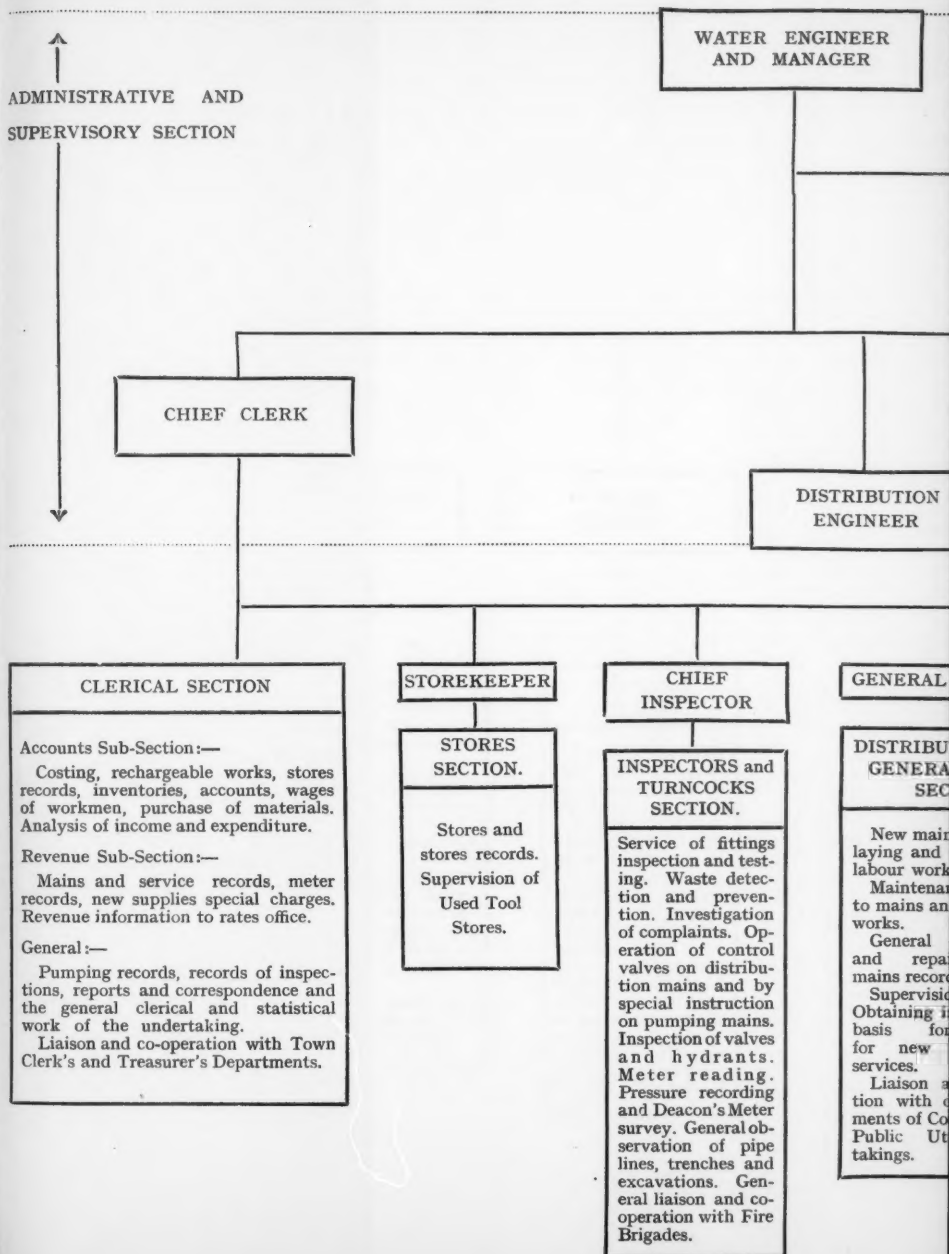
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MUNICIPAL TRADING — WATER SUPPLY

TYPICAL ORGANISATION OF WATER UNDERTAKING



ENGINEER
MANAGER

DEPUTY WATER ENGINEER
AND MANAGER

CHIEF ENGINEERING
ASSISTANT

DISTRIBUTION
ENGINEER

SUPPLY WORKS
ENGINEER

CHIEF
CHEMIST

GENERAL FOREMAN

TECHNICAL SECTION

SUPPLY WORKS AND
MECHANICAL
SECTION

CHEMICAL
SECTION

DISTRIBUTION AND
GENERAL WORKS
SECTION

New mains and service
laying and general direct
labour works.

Maintenance and repairs
to mains and distribution
works.

General maintenance
and repairs. Primary
mains records.

Supervision of Depot.
Obtaining information as
basis for estimating
for new mains and
services.

Liaison and co-opera-
tion with other Depart-
ments of Corporation and
Public Utility Under-
takings.

Design and Supervision
of Engineering Works.

Surveys, plans, speci-
fications and estimates for
new works. Record plans
and diagrams. Technical
data and statistics. Mains
extension plans and esti-
mates. Engineering work
of the undertaking
generally.

Maintenance and opera-
tion of pumping stations,
supply works, treatment
plants and reservoirs.

Regulation of pumping
into supply.

General fitting work of
the undertaking. Super-
vision of Department
transport. Repair and
maintenance of transport
vehicles, etc., and mecha-
nical tools.

Mechanical work and
electrical work of the
undertaking generally.

Routine che-
mical and bacteriologi-
cal examination
of water.

Testing and
analysing as to
quality of water.

Reporting
chemical m-
atters affecting the u-
ndertaking generally
specifying and
reporting on se-
wage disposal works
sources of pollu-
tion in gathering gro-
undwater sources of su-
pply.

Liaison and
operation with
Health Department.

CHIEF
CHEMIST

CHEMICAL
SECTION

Routine chemical
and bacteriological
examination of
water.

Testing and ad-
vising as to treat-
ment of water.

Reporting on
chemical matters
affecting the under-
taking generally. In-
specting and re-
porting on sewage
disposal works and
sources of pollution
and gathering grounds
of sources of supply.

Liaison and co-
operation with Public
Health Department.

Electricity in Relation to Municipal Trading

By C. R. WESTLAKE, M.I.E.E.
(General Manager and Engineer, Finchley Corporation
Electricity Department)

[Paper to be discussed at the Summer Conference of the Institute,
Oxford, 1939]

GENERAL

1. The difficulties in dealing with this subject within the limits of this Paper will be recognised. Nothing more has been aimed at than a note on the more important aspects of municipal trading in relation to electricity supply.

2. In introducing the subject, no better words can be found than those used in the Report of the McGowan Committee, which deals with the whole question of electricity distribution. Paragraph 11 of that Report reads as follows:—

“ Legislation relating to electricity supply commenced with the Electric Lighting Act of 1882. That Act empowered the Board of Trade to grant a licence or Provisional Order to any local authority, company, or person, authorising them to supply electricity for any public or private purposes within any area. It would seem, however, that it was the underlying intention of the Act that the supply of electricity should be regarded as a public service, and that if a local authority did not itself obtain the rights of supply for its own district in the first instance it should have the right to take over the supply on defined terms at the end of a comparatively short period, *i.e.*, 21 years. In other words, it was definitely contemplated that eventually each local authority should, if it so desired, be the supply authority for its own district.”

3. It is to be remembered, however, that in 1882 the possibility of electricity distribution over wide areas was not foreseen. Indeed,

Public Administration

legislation envisaged a local power station and a distribution system for each community. Rural supplies, interconnection of towns, and large-scale generation had not entered the picture.

4. The development of an electricity supply was considered even up to 1905 to be a highly speculative risk, and many local authorities refused to undertake the work. On the other hand, many were prepared to allow a company to serve the district, seeing that they had the right of purchasing the undertaking at a later date.

5. Since the entrance of municipalities into the control of electricity undertakings the amount of capital invested has reached large figures and exceeds that invested by companies.

6. The following figures taken from the Electricity Commissioners' return for 1937-38 are impressive as showing both the extent to which municipal trading in electricity has developed and the relative position with regard to companies. The heading Public Authorities includes the Joint Electricity Authorities and Distribution Boards but excludes the Central Electricity Board:—

Undertakers	Capital Expenditure	
	At end of 1937/38	Percentage of Grand Total
Public Authorities... ..	£ 330,399,068	% 59.6
Companies	223,098,040	40.4
Total	553,497,108	100.0

7. The revenue from working and the average price per unit sold for the year 1937-38 on the same basis are as follows:—

Undertakers	Revenue from Working	
	1937/38	
	Amount	Average per Unit Sold
Public Authorities (excluding Intersales in Group) ...	£ 57,753,733	Pence 1.095
Companies (excluding Intersales in Group)	37,655,608	1.074
Less Intersales between Groups, etc. (see Note below Table)	3,509,572	—
Net Total	91,899,769	1.145

The net total is exclusive of all intersales between authorised undertakers including the Central Electricity Board, but is inclusive of sales by the Central Electricity Board to certain transport undertakings.

Electricity in Relation to Municipal Trading

8. There were, at the end of March, 1938, 369 local authorities owning electricity undertakings, and the question of the efficient administration and management of them is of the utmost importance. Interest in this matter has been quickened by the McGowan Committee's Report and by the Ministry of Transport's White Paper proposals, to which reference is made later.

MUNICIPAL CONTROL

9. The question of municipal control, its efficiency and its limitations, is a wide subject but there are two very broad reasons for municipal or public control of electricity undertakings and they are:—

- (i) a voice in management through a publicly elected council;
- (ii) the financing of capital expenditure at lower rates.

10. The value of these points may be magnified or minimised according to one's point of view. Indeed, it may be claimed for company control that public opinion prevents abuse in the maintenance of high prices for profit, and recent company issues have been at prices competitive with those obtained by local authorities.

11. None the less, there is the inescapable fact that domestic tariffs are generally lower with municipal control and the price to be paid for electricity is the critical point to the consumer.

12. There is, too, the widely accepted opinion that public utilities are better operated under public control and that monopolies should not be exploited for private profit.

13. The defects in the municipal control of any form of trading are those inherent in democratic control, and so also are the accompanying merits.

14. In considering municipal trading, it is suggested that there is a very real difference between the rate-borne department and the trading department of a municipality. A rate-borne department has not to produce a balance sheet, but merely confines its expenditure to estimates already approved and on the basis of which rates have been levied to secure sufficient funds. In such a department there may not exist a measuring rod of efficiency or an incentive to find a more economical way of doing any particular work.

15. In a trading department, however, there is always the trading result to be taken into account. The question is not only whether service has been efficiently rendered, but also, and rather, whether it has been profitable or whether it has made a loss.

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16. The policy of a trading department, therefore, is of the utmost importance, whether it concerns the operation of a bathing pool, a municipal orchestra, an electricity undertaking or a water undertaking. Those responsible for deciding the policy have a grave responsibility.

17. In choosing a manager and engineer of an electricity undertaking, the selection committee would be wise to seek the advice of another engineer. A lay committee are sometimes wrongly influenced by special qualifications when general administrative experience would be of more value. For instance, a recent appointment was made principally on the grounds that the selected candidate had special knowledge of a particular type of boiler, and although the right man was successful his real merit and his true value lay in other directions than the one that determined his choice.

18. The ideal chief officer of an electricity undertaking must possess many more qualities than merely those of a soundly educated and trained engineer. He must have considerable administrative ability and a knowledge of finance and law as applied to electricity supply, and in addition he must be a sound business man with much commercial acumen.

19. There is a very regrettable movement creeping into the administration of municipal electricity undertakings towards divorcing duties of the engineer and manager, that is to have a chief engineer responsible for technical matters only and a non-technical officer to control the administrative work. In this connection the President of the Incorporated Municipal Electrical Association spoke the following weighty words in his presidential address this year:—

“ There are some municipal authorities who consider it a good plan to divide the managerial function into two parts, appointing a chief engineer to control the technical staff and a manager, without engineering experience, to control the remainder. This experiment has been tried in a few cases, but seldom, or never, with success. I would say, without the slightest hesitation, that dividing responsibility and control is a bad method and one usually given up with relief by those who try it. It is far better to have one recognised ‘ Chief Officer ’ because only in this way can a municipal committee be sure that the wisdom and knowledge of the whole staff will be properly co-ordinated for the service of the undertaking.”

20. The manager and engineer of an electricity undertaking,

Electricity in Relation to Municipal Trading

assuming that one person exercises both functions, is responsible to his committee broadly for the following matters:—

- (i) general administration of the undertaking;
- (ii) submission of engineering schemes;
- (iii) commercial development;
- (iv) tariff control;
- (v) advice on salaries and wages.

21. Although some of these matters involve co-operation with other departments, in particular the treasurer's department, the manager and engineer is normally responsible in the first instance directly to his committee. The treasurer's relations with the manager and engineer are referred to later.

22. Because of the technical nature of almost every aspect of an electricity undertaking, there is perhaps no other form of municipal enterprise in which the ordinary lay member of a committee finds so much difficulty in directing the general conduct of the business.

23. No layman pretends to be competent to judge the merits of highly technical schemes. It is impossible for a councillor without specialised knowledge to determine whether any proposal is adequate or inadequate, or whether the capital is being spent to the best advantage. In this connection it would be an advantage if consulting engineers were to advise, say every five years, on the general technical development of the undertaking. No engineer need feel that his professional skill is being called into question. Indeed, he may find many of his committee problems solved by being able to refer to a confirmatory opinion.

24. Again, the determination of tariffs is so complex, and the repercussions are so serious, that a committee is wise in being guided by the manager and engineer. A common and dangerous view held by many committees is that the surplus on any year's trading must be disposed of either by rate relief or tariff reductions. This is dealt with more fully below.

25. Effective committee and council control may be said to be limited to the general administration of the undertaking, and the application of such business ability as may be available to problems common to all business institutions. This may be looked upon as a very realistic view of the relations between the manager and engineer and the council, but if recognised and appreciated it will lead to greater usefulness of the elected body.

26. As previously mentioned, there is a strong connection between the finance department and the electricity department. There is no doubt that the relationship between the two departments

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could with advantage be more closely defined. The ideal is a self-contained electricity undertaking, dealing with every aspect of its own business, and including its own accountant on its staff. Under municipal ownership a compromise is necessary, since the electricity undertaking is only a part of the whole and there are obvious advantages in centralising finance and collection.

27. The treasurer should of course report to the finance committee on all questions of loans and debt charges, and he should deal with the Electricity Commissioners on all such matters. On the other hand, it is suggested that he should not concern himself with questions of value for money spent, since he would have to admit that his competence to do so is limited to only a small percentage of the total expenditure. If, however, in the normal course of his valuable internal audit he should find irregularities, or even what appears to be needless expenditure, he should inform the manager and engineer, who would doubtless take appropriate action.

28. A wise municipal manager and engineer hands over to the treasurer all matters of finance that do not affect the day-to-day operation of the undertaking, and the wise treasurer does not concern himself with internal administration where it affects matters on which he cannot speak with unquestioned authority. Almost everything depends upon personalities, and dual control has always failed.

RECRUITMENT OF PERSONNEL

29. Although it is the practice of most municipalities to treat all the clerical staff on a common basis, and to remunerate them on a fixed scale, it is suggested that the engaging of the technical staff, particularly in an electricity undertaking, should be on a different basis.

30. In some cases the municipality entrusts the manager and engineer with the making of technical appointments up to the rank of deputy; in others, all appointments, even the most junior, are made by an impressive sub-committee of the council. The questions by councillors usually deal with education, health and the like, and the engineer finds little time to examine the candidate on purely technical matters. Electrical engineering has so many aspects and branches that it is important for any medium or senior position that the candidate should possess sound practical training and experience in addition to purely academic achievements.

31. The author ventures to suggest that the appointment of even the clerical staff by a sub-committee of the council is not always in the best interests of the municipality, and believes that there is another method likely to produce better results and to avoid any

Electricity in Relation to Municipal Trading

question of patronage. It is suggested that the recruitment of staff is a municipal undertaking should be left to a panel of chief officers. For non-technical administrative appointments the town clerk would be chairman of the committee but for the appointment of a technical officer the head of the department concerned would be the chairman. It is submitted that by this means the needs both of the council and of the department would be better served.

WORK RELATIONS AND DISCIPLINE

32. The right in municipal circles of a chief officer of a department to "hire and fire" is often questioned. So far as the staff, *i.e.*, the salaried staff, are concerned, the usual practice is that no member of the staff can be engaged or dismissed except with the consent of the council. In practice this is a protection for the individual against harsh treatment. A chief officer is very careful before taking the extreme step. On the other hand, it may not be good for discipline or efficiency. It is common experience that although it may be difficult to formulate a definite charge against a particular person he may none the less be quite unsatisfactory.

33. So far as the operative staff, *i.e.*, skilled, semi-skilled and unskilled labour, are concerned, the chief officer is frequently given all the authority he needs. It is common experience that better discipline and efficiency are in consequence obtained.

34. It is agreed that the Superannuation Acts introduce many difficulties in this important subject.

35. Three principal classes of employees are engaged in an electricity undertaking:—

- (i) clerical;
- (ii) technical;
- (iii) artisan.

36. In Finchley the first class is remunerated on a scale determined by the Council, the second on a scale fixed by the National Joint Board of Employers and Employees for Electricity Supply Engineers, and the third according to the rates laid down by the National Joint Industrial Council. Broadly speaking, no difficulty ever arises and the staff appear to be satisfied with the arrangements.

THE DEVELOPMENT OF AN ELECTRICITY UNDERTAKING

37. For simplicity only two aspects of development are discussed, namely:—

- (i) capital development and expenditure;
- (ii) commercial development.

Public Administration

38. Capital expenditure follows as a direct result of two factors:—

- (i) replacement of obsolete equipment and plant;
- (ii) provision of new equipment and plant to meet increasing demands.

39. It may be that many undertakings will have to face in the near future the consequences of having enjoyed a rapid rate of development of demand caused by normal increases and accelerated by reduced tariffs. It is frequently overlooked that the moment a network becomes fully loaded a serious financial situation has arisen. A new distribution system has to be laid. It must be several times larger than the one it displaces or assists, and for some time the revenue may be quite inadequate to meet the annual charges.

40. Some undertakings deemed the rapid writing off of capital debt to be a sound financial policy—which it is—but when a “no debt” position was reached the surpluses were devoted to tariff reduction or rate relief. The latter, although usually agreed to be mistaken practice—at least by the manager and engineer—is not necessarily a serious matter, but the former, without prudent provision for future extensions and capital replacements, is likely to lead to an evil day when, in face of heavy capital expenditure, increases in tariffs become necessary.

41. This is not the place to enlarge upon this important topic, but those who are responsible for the administration of electricity undertakings would be well advised to make a rough check by examining the number of units sold per £1 of distribution capital, and compare it with other undertakings. A high number of units sold may denote that the distribution is being overloaded. Another rough check is the distribution capital per consumer. Care, however, should be exercised in drawing conclusions from the results obtained.

42. The discarding of capital equipment is an important matter in electricity supply, and an authority is quite powerless to prevent early obsolescence in some items. To cite a problem common to almost all undertakings, the scrapping of switchgear owing to the advent of the grid and the heavy short-circuit currents possible at the undertaking switch-house demands that largely increased circuit-breakers should be installed.

43. Distribution-mains in residential areas, provided that reasonable foresight has been used in planning, may be relied upon to pass their twenty-five year loan period and still be good for as many more years. In industrial areas, however, rapid changes in demand may cause early obsolescence of mains and switchgear.

Electricity in Relation to Municipal Trading

44. Finchley determined to change over to alternating current distribution rather later than most undertakings; the decision was entirely on the grounds of general economy. The Council was faced with heavy capital expenditure if direct-current distribution was continued and, in consequence, mains are being laid in all the streets of the Borough and energised by alternating current.

45. As little as possible is being done compulsorily. Advantage is taken of premises becoming vacant, and many consumers change over at their own expense. Compulsory change-over is only resorted to when it is necessary to relieve the old direct-current sub-stations.

46. By these methods it is hoped to have as little capital as possible invested in intangible assets, such as adapted wireless sets, and as much as possible in mains and sub-stations. The present position is that of some six thousand consumers changed over only three thousand have been dealt with compulsorily. As the mains-laying programme proceeds, it is hoped that the percentage of compulsory change-overs to the total alternating-current consumers will decrease.

47. The direct-current mains will be kept in commission as long as possible, or adapted in a rather unsatisfactory technical way for alternating-current distribution.

48. A new capital burden, in many cases one of magnitude, has been placed upon undertakings by recent legislation on meters. Some undertakings have thousands of meters of a pattern that cannot be approved by the Electricity Commissioners. These must be taken out of service in ten years, two of which have already elapsed. Where revenue is sufficient, the cost of these meters will obviously not be a capital charge.

49. The commercial development of electricity undertakings is a matter that receives increasing attention and in each year more and more funds are being provided for propaganda to increase the use of electricity in all spheres—the home, the office, the factory. In industrial development electricity has not displaced gas as a power agent, but rather private plant, and in most new factories the use of public supply for power is automatic.

50. In the domestic field, however, electricity is to a great extent preventing the introduction of gas in new properties, and in millions of homes electricity is slowly but very surely displacing gas.

51. Those municipalities who own both gas and electricity must undoubtedly be aware of this trend, and in dealing with gas finance are presumably foreseeing the day when the output of the gas producers will be greatly reduced.

52. Before leaving this point, it may be appropriate to remark

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that there is something senseless about the strong competition between these two great public utilities, and to question whether it is in the best interest of the country that development should continue on the present lines. The author does not suggest that where a municipality owns both the gas and the electricity undertakings there should be an artificial restriction on the development of the electricity undertaking to secure the financial soundness of the gas undertaking. Rather it is suggested that the council should recognise that electricity is slowly but surely replacing gas in almost every sphere of service other than the industrial and that the finances of the gas undertaking should be governed by this realist view of the situation.

53. The commercial development of demand is usually entrusted to a special section of the department, which has for its head a man trained in publicity, tariffs and general business methods. It is better that he should have had, in addition, sound engineering training. A non-technical head of the commercial section is wholly dependent on others for information which he is unable to check.

54. The principal activities of the commercial section are:—

- (i) tariffs;
- (ii) hire and hire-purchase schemes;
- (iii) publicity;
- (iv) showrooms.

55. The question of tariffs is dealt with later under "Rate Fixing." Hire and hire-purchase are much debated subjects. Hire-purchase has become very complicated for public utility concerns under the recent hire-purchase legislation and space does not allow this matter to be dealt with.

56. The rates at which apparatus should be hired form a subject of much dispute. Some authorities hold that they should be sufficient to cover all debt charges, maintenance and a proportion of overhead charges. Others believe in almost a nominal rental.

57. It is in considering this topic that a curious fact is observed, namely, that most municipal supply authorities are prepared to lay "free" mains and services and provide meters without rental to the consumer other than the undefined—indeed undefinable—amount in the charges to the consumer. In other words, the undertaking accepts capital liability up to and including the meter and then, when the revenue to be derived from such expenditure is a matter of importance, says, in effect, to the consumer, "now it is your turn to spend."

58. The author finds this attitude, though conventional, illogical and unbusinesslike. This is recognised, in part, by those under-

Electricity in Relation to Municipal Trading

takings who charge a nominal rental for hired apparatus, in particular for electric cookers.

59. Since *all* charges must come from the consumer, why not provide him with as much equipment as he can use and charge it in the fixed component of the two-part domestic tariff? What is the difference between a quarterly account which reads £2 15s. od. for current and 5s. cooker hire and an account for £3 os. od. including both charges? On the other hand, the free cooker scheme makes a strong appeal to the consumer since he is apparently getting something for nothing.

60. The Finchley Borough Council became a pioneer in this respect and obtained an "Authorised Two-part Domestic Tariff" under Section 42 of the 1926 Electricity (Supply) Act; it includes in the fixed component of that tariff a rental in respect of an electric cooker and associated equipment. The success of the scheme has been remarkable.

61. Since one must usually crawl before walking, Finchley is "orthodox" in all other hire charges, and follows closely the recommendations of the Electrical Development Association.

62. There is no doubt that a progressive council can greatly increase the earning capacity of its distribution system as well as give the widest possible service to its consumers. Finchley has increased its sales by one hundred per cent. in three years.

63. The McGowan Committee's Report lays emphasis on the need for publicity and showrooms. The author is of the opinion that showrooms give the best return for money as a means of publicity, provided of course that consumers' accounts are collected there and frequent demonstrations are given.

64. It may be appropriate to refer here to the question of municipal trading as affecting the sale of apparatus and the undertaking of wiring work. The author is of the opinion that to open a showroom merely for exhibition purposes in practice proves to be rather futile and vexatious to the consumer. On the other hand, he is convinced that in normal circumstances a municipal undertaking should not compete with wiring contractors in ordinary installation work. The contractor is a friend of the undertaking and a valuable unpaid canvasser.

RATE-FIXING

65. The principle of fixing charges for electricity is a very complex subject. One might even go so far as to say that there are no defined principles. The tariff systems of most undertakings have, like Topsy, "just growed." They have been determined year by

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year by the financial result of the previous year's trading, and new tariffs have been introduced to develop special demands.

66. The author was associated with the starting of two undertakings and it was found impossible to avoid what is commonly known as "complexity of tariffs." The first undertaking has at the present time five tariffs and the second twelve tariffs. It is necessary to remark that two, or at most three of these tariffs meet the needs of over ninety per cent. of the consumers.

67. To the layman the subject is "wropt in mystery"; to the initiated the problem is a simple one though the solution difficult. The real difficulty is that it is not possible to determine accurately the cost of supplying any one class of consumer. Electricity varies from hour to hour both in its cost and in its value to the consumer.

68. Among the factors to be taken into account in rate-fixing are the following:—

- (i) the cost of production;
- (ii) the cost of distribution;
- (iii) economic value for the purpose served;
- (iv) incidence of demand.

69. All these factors are important, but in practice (iii) is vital. If a tariff is not competitive with the tariff of an alternative service, it fails to secure business.

70. It is fortunate that at present the load that contributes to that bugbear of municipal undertakings, "the peak load," is one that will bear a higher charge, and the normal daytime load, such as cooking, and to some extent motive power, can be sold at competitive rates in consequence.

71. It is not possible to deal adequately with the subject in the limits of this Paper, and everything that has been written here is subject to other considerations. It can be stated broadly, however, that it is not possible to determine tariffs on the basis of cost, to which they can only bear very rough relation.

72. They are determined in the long run by the financial result of the year's trading, and should a surplus result, tariff reductions should be made with the greatest care, always with the adequacy of the distribution system in mind, not only for the ensuing financial year but for many years ahead.

73. Having mentioned again the adequacy of the distribution system, it may be relevant here to remark on the deficiencies in the Electricity Supply Acts in relation to the uses to which the Reserve Fund can be put, they are:—

- (i) to answer any deficiency at any time happening in the income of the undertakers from the undertaking;

Electricity in Relation to Municipal Trading

- (ii) to meet any extraordinary claim or demand at any time arising against the undertakers in respect of the undertaking.

It is true that under the Middlesex County Council Act, 1934, the Reserve Fund can, with the consent of the Electricity Commissioners, be used for other purposes, but the application of that Act is local and not general. The author suggests that the method adopted by the Eire Electricity Supply Board of creating a Renewals Fund in addition to providing for debt amortisation has much to commend it.

PROBLEMS OF AREAS

74. The problem of areas is the subject of the Report of the McGowan Committee, and its recommendations are the subject of a memorandum from the Ministry of Transport. Both documents envisage the reduction in the number of independent undertakings by a series of amalgamations.

75. No one questions the necessity of such a step, though the methods and the actual final number are naturally matters upon which there is wide divergence of opinion. An undertaking is not necessarily inefficient because it is small, but on the other hand there is evidence that its administrative costs are higher. What is the proper size to be aimed at? Will amalgamations necessarily bring economies? These are serious questions.

76. Undoubtedly economies can be effected in bulk purchase of engineering equipment and in technical staff. Unquestionably standardisation is a natural sequence of amalgamation, and this in turn leads to further economies, but the greatest care is necessary if such economies are not to be rendered nugatory by reason of increased administrative costs.

77. Undertakings operating over a wide area with a number of local offices and district staffs have to exercise the greatest care in avoiding a dead-weight of head-office staff and an expensive system of reports, forms and records. It is of the utmost importance that wide powers should be given to local staffs.

78. It is possible not only to increase administrative costs out of all proportion, but by the creation of endless "forms" to slow up every operation of the undertaking. Lord Stamp has said: "I have come to the conclusion that no highly diversified institution . . . can move faster than its forms allow it."

79. In conclusion, it is to be said that the administration of municipal undertakings demands high qualities in those who are

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appointed to electricity committees, a manager who is, in addition to being an engineer, an administrator of marked abilities, and a staff who are soundly educated and well trained in their duties. An electricity undertaking is more than a business concern; it is a public service department. Its success is measured not only in terms of money but in the way it serves all classes of consumers. The council is the trustee of an undertaking that becomes more and more essential to the life and well-being of the community it serves. The record of municipal control of electricity undertakings is one of which municipalities may justly be proud.

Education in Scotland—II:

The Unit of Administration

By J. B. FRIZELL, B.L., A.L.A.A.

(Education Officer, City of Edinburgh)

IN the January issue of PUBLIC ADMINISTRATION I outlined the history of the Scottish educational system. I now turn to a phase of Scottish education which is of considerable general interest at the present time—the unit of administration.

I. ECCLESIASTICAL STAGE IN THE CONTROL OF EDUCATION

We have learned that prior to 1872 the system of education was largely ecclesiastical, and that the institution of schools was based upon no properly conceived national plan. The Act of 1872 was intended to provide the means for procuring efficient education for the whole of Scotland. The leading principles of the Act were that education should be national and administered by the Government, that a popularly elected school board should be established in every parish and burgh to control all rate-supported schools in the district, that there should be one uniform system of management, and that religious instruction should be given at such hours that it did not interrupt or interfere with the secular instruction, and that children were to be at liberty to withdraw from religious instruction without losing any part of the benefits of the school.

II. THE STATE DEPARTMENT AND THE PARISH SCHOOL BOARD

As a result of the Act there came into being the Scotch (since termed the Scottish) Education Department as the national point of control, and the school boards whose duty it was to provide a sufficient amount of accommodation in public schools available to all persons in the parish for whose education provision was not otherwise made. Thus began the dual control or partnership in educational administration, which has continued to the present day—

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the Central Department and the Local Government Body—and which has had such a beneficent effect on the development of Scottish education. Within four years of the passing of the Act there was seen the erection of no fewer than 646 new schools, and the improvement of 400 others. This is not to be regarded as in disparagement of what had gone before, for, until 1872, the Church of Scotland, and later on the Free Church and certain voluntary charitable organisations, had borne the responsibility of superintending the education given in the schools and also, at their own expense, had provided and maintained a large proportion of the school buildings and had paid a considerable share of the salaries of teachers. When the Act came into force the Churches handed over their schools, free of charge, to the newly created local authorities.

The statement has been frequently made that school boards were always unenlightened and could think of nothing but the parish rate. The statement will not bear investigation. In very small parishes it was often difficult, it is true, to find a sufficient number of men and women with the necessary breadth of view to undertake local administration of any kind. And in cases where a penny on the rate brought in only ten pounds it is not surprising that prudent people hesitated to initiate costly enterprises. But, even outside of the cities, there were scores of populous parishes with a high valuation where the boards showed a degree of enlightenment and courage.

The argument frequently used against school boards that they often showed an unjust and persecuting spirit in their treatment of teachers, rests on a slender foundation. In remote and secluded corners, where local gossip is apt to flourish, there were, no doubt, instances of petty annoyance which were hard to bear. But even this form of injustice was the rare exception.

On the other hand, cases occurred fairly often in which a teacher, clearly incompetent, was retained in office many years, to the detriment of generations of school children, because the board could not bring themselves to have recourse to drastic measures. While it is untrue to say that boards were very often unjust to teachers, it would be true to say that they were often afraid to be just to pupils.

Another charge which has been frequently levelled at school boards was that they entirely failed to provide as high a type of education as that which was provided by their parochial predecessors. This charge was based upon ignorance of comparatively recent academic history. During the first half of the nineteenth century, boys commonly went to the university at 14, frequently at 13, sometimes at 12, and the universities were largely occupied in doing the work which is now done in secondary schools. During the second half of the century the age of matriculation rose somewhat rapidly, and there was at

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the same time a considerable expansion of the secondary school system throughout the country. The two processes acted and re-acted on each other. Lord Balfour of Burleigh's Commission of 1882 overhauled the endowments and management of secondary education, and the Ordinances of this Commission, while they gave an impetus to higher instruction, tended also to centralise it. The action of the Universities Commission of 1889 in instituting a preliminary examination for admission to the Universities still further raised the age of matriculation and threw more work upon the schools of the country.

For the work thrown upon school boards in 1872 and in the years immediately succeeding, the parish may have been a convenient enough area, but the educational and financial responsibilities of school boards were always increasing, while the population of most rural parishes steadily went back after 1872 both in numbers and quality. Combinations between adjoining parishes, for the purpose of carrying out some educational undertaking, were difficult to arrange, and seldom worked well when arranged. The Education (Scotland) Act, 1901, which imposed upon school boards the duty of providing for the education of all children in their parishes up to the age of 14, brought the inadequacy of the parish system clearly into view. In very small parishes the provision of a reasonably complete course for children over 12 presented great difficulties.

The disadvantages of the small area were acutely realised when, owing to the growth of wealth in the community, there was an increase in the number of pupils able to stay at school beyond the age of 14. In 1897 there were established, by Minute of the Department, secondary education committees which had for their area of operation the county unit. To these committees was entrusted the disbursement of moneys specially voted for the advancement of secondary education. The school boards of the district in which each of these committees worked were given representation. When the organisation of intermediate schools throughout the country was undertaken between 1903 and 1908, the disadvantages of the parish area presented still greater difficulties. Many of the small school boards in impoverished and sparsely populated parts of the country then found the duties imposed upon them almost impossible.

Further duties imposed upon school boards by the Education (Scotland) Act, 1908, such, for example, as the medical inspection of school children, could not have been carried out at all but for the co-operation of the county education committees. These committees were reorganised by the Act of 1908, and they did admirable work in supplementing the efforts of school boards. The personnel of the committees was generally excellent; but, from the first, they were hampered by a shortage of funds. Their only source of income

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was from the State and their revenue could not be increased (except by emergency grants from the Treasury), while their expenditure was always increasing. However, the existence of the county committee rendered the school board system tolerable between 1908 and 1918.

Another fundamental change in educational organisation was the institution in 1908 of the Education (Scotland) Fund. Prior to that, funds had reached school managers through a variety of channels, but in that year arrangements were made for a pooling of all money available for education in Scotland and a direction was given as to prior charges to be met, such as: inspection of schools, provision of advanced forms of education and superannuation of teachers before the balance was distributed among the county areas to form district funds. In turn, these district funds became charged, in the first instance, before distribution among the constituent school boards with expenses not directly referable to any one school board area, such as: the upkeep of intermediate and secondary schools, the provision of bursaries, and the staffing of small schools by itinerant teachers of special subjects. This was the first organised attempt to recognise the necessity of a wider educational service than could be contemplated within the narrow confines of parishes, and so the way was paved for the next change in administrative control under the Act of 1918.

III. THE ADVENT OF THE EDUCATION AUTHORITY

The allegations have been made (a) that the Education (Scotland) Act, 1918, was a piece of war-time legislation forced through Parliament at a time when the thoughts of the people were immersed in greater and more important things; (b) that the Act was entirely unsuitable for rural areas; (c) that the Act encouraged lavish expenditure; and (d) that the scheme of assessment contained in the Act would impose a crushing and intolerable burden upon rural parishes in Scotland.

An Education Act had been passed for England and under that Act England acquired great financial advantages in the form of more liberal grants from the Treasury as well as additional educational facilities, and it was not to be expected that Scotland would lag behind in this respect. The original Bill was introduced in the House of Commons in 1917 in order to sound public opinion on the subject. The Bill, which subsequently became law, was not read a second time until June, 1918, the pressure on the Secretary for Scotland having been so great that he was compelled to abandon the proposal in the original Bill, whereby education would have been

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placed as one of the public services directly controlled by county councils, and to adopt the *ad hoc* authority principle.

As we have seen the education which had been provided for children in the thinly populated parishes in rural districts under the school board system was necessarily conducted in small schools, and the children had in many cases to depend upon the hospitality of their neighbours for anything in the nature of secondary education.

The county system introduced by this Act provided, at the expense of the county and not the individual parish, suitable secondary and intermediate schools, and transport difficulties were got over by the provisions of the Act. Where the population of rural parishes desired secondary education ample and advantageous facilities were provided.

The Act of 1918 was a statesmanlike measure for broadening, deepening and strengthening Scottish education. It transformed the administration of education, it increased the powers and duties of the new authorities, it made possible a close approximation of two ideals of democracy—an educated community and equal opportunity for all—by providing increased facilities for the full educational development of the child and adolescent, and it went far towards solving the voluntary denominational school problem and thereby creating a truly national system of schools for all classes of the community.

The school board gave place therefore to the education authority, and the parish, as an administrative unit, was replaced by the county with its electoral divisions. Thus 947 school boards were replaced by 38 education authorities and 5,000 or more school board members gave way to 987 members of the new authorities. The reduction in numbers itself demanded in committees a higher average of administrative ability. Much greater responsibility devolved upon the new authorities and local educational developments were, in future, to depend largely upon local initiative. The powers of framing schemes for educating all classes of pupils, young persons and adults gave promise of a better co-ordination of local effort and increased developments on the lines of local demands and requirements. At the same time, national co-ordination was conserved in that all arrangements were made subject to the approval of the Department, to whom each authority had to prepare and submit a series of important schemes which, thereafter, governed practically the whole of their operations:—

(a) The first was a scheme for the adequate provision throughout the area of all forms of primary, intermediate and secondary education in day schools, without payment of fees and, if the

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authority considered it, for the maintenance or support of a limited number of schools where fees would be charged in some or all of the classes.

(b) The second was a scheme of bursaries and grants so as to make it possible for every pupil of promise to proceed, if necessary, right through the educational system to the university or technical college, despite any want of means of his parents.

(c) The third was a scheme of scales of salaries for the teachers satisfying minimum conditions laid down by the Department.

In rural counties the average rate in 1920 was 2s. 6d. in the £ and on the basis of a £15 rental would amount to £1 17s. 6d.—one-half of which was paid by the occupier or tenant. In return for this 18s. 9d. a year a parent obtained the complete education of his children free of further payment; a supply of books and stationery, and facilities for the conveyance of his children, where necessary, and if the parent resided in a remote district, board and lodging free of cost or at a greatly reduced charge. These benefits were conferred by the county, as a whole, and were not made a charge upon the resources of a limited parish. There were certain people—they represented a very small proportion of the community—who were the proprietors of land and who did not send their children to State-aided schools and therefore did not participate in the free educational facilities provided. But the benefits provided by the local authority were designed for the community as a whole and if people elected not to avail themselves of these facilities they did not appear to have any justifiable grievance. It should be kept in mind that approximately one-half of the cost of education was borne nationally through the system of State grants.

IV. THE TRAINING OF TEACHERS

The administration of the training system for teachers followed a somewhat similar course although the control of the arrangements by the Church authorities continued much longer. In 1905 there was witnessed the transfer of Church training colleges to committees established in connection with the four universities. In 1921 the whole of the machinery for the training of teachers in Scotland passed to the control of a National Committee which, thereafter, functioned through provincial committees set up for each region. The Department retained in their own hands, however, the actual certification of teachers for service and the assessment of their abilities during the probationary period.

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V. THE DENOMINATIONAL SCHOOL

The section of the 1918 Act which probably aroused and, indeed, is still arousing more public interest than any other, was the now famous section 18 which provided for the transfer of voluntary or denominational schools. During the long interval between 1872 and 1918 the steadily widening conception of the functions of education had made the task of voluntary denominational schools increasingly difficult despite a measure of alleviation through special grants in aid. These schools failed, however, to keep abreast of the advance in the public schools. The time was ripe, therefore, for their absorption in the general educational system. Any school so transferred was then to be known as a public school but subject to the Conscience Clause. Religious instruction was to be continued according to the use and wont of the former managers, and they were to have the right to approve of any teachers appointed by the local education authority but only in respect of their religious belief and character. Transfer was to be at the option of the managers of voluntary schools and education authorities were bound to accept any proposed transfer. If transfer did not take place within two years of the passing of the Act no further grants were to be payable to such voluntary schools.

There is, therefore, a clear distinction between the situation in 1872 and that in 1918. At the former date the State was shouldering a definite duty in regard to public education which had hitherto been almost entirely performed by the Church and was in this way relieving the Church of a tremendous burden which, to its credit, it had nobly, but rather ineffectively, tried to bear. Such voluntary schools, largely denominational, which continued to receive State aid were regarded as a definite part of the educational system although not termed public schools. If they had closed down then the State burden would have been all the greater. In addition to this the parents of children attending these voluntary schools were also paying their share of the public school system through the operation of the Education rate. The Act of 1918 was definitely dictated by educational reasons. Progress depended upon a unified system of education and it is to the credit of Scotland that she obtained that which England is still striving to achieve. It would have been manifestly unfair for compulsion to have been applied and at the same time for the buildings of the voluntary schools to have been taken from their owners with no financial recompense. That would not have been a policy of consolidation and progress but one of confiscation.

Inasmuch as the Act on the one hand relieved the supporters of the voluntary schools of their particular financial obligation and,

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on the other, effectively secured the continuance of religious instruction there could be little hesitation on the part of the managers. In fact, within the time limit prescribed by the Act the object aimed at by its framers, namely, the transference of the schools to public management, was all but completely attained. In all, 255 denominational schools have been so transferred and, as a result, there was at the end of 1929-30 little more than one per cent. of the children of Scotland in schools outwith public management. This controversial part of the Act of 1918 has, therefore, completely justified the wisdom of its promoters. The transference was everywhere carried out in a spirit of tolerance and questions of disagreement in its working have been rare and exceptional. Of its beneficial effect on the education of the nation's children, opinion is unanimously favourable. For a critical survey of the place of the denominational school in Scottish education, the reader is referred to the *Year Book of Education for 1933*, published by Messrs. Evans, Bros., London.

VI. THE SCHOOL MANAGEMENT COMMITTEE

The widening of the area of administration made it necessary to secure local co-operation in certain matters affecting the working of schools and this was met by a new departure in educational administration. Hitherto, control and management had been vested in one body—the school board. In all the discussion in regard to the best size of administrative area for the purposes of education it was conceded that the creation of subordinate bodies for management purposes was a necessary corollary to any serious enlargement of area. The adoption of the county as the unit of administration under the Act, it was thought, made some delegation of authority inevitable if local interest was to be maintained. The Act, therefore, provided for the setting up of school management committees to which were nominated parents, teachers and others representing local feeling in the intimate day-to-day requirements of the schools in their district. The functions of school management committees were strictly circumscribed by the Act and a great deal of friction ensued in consequence over the respective rights of authority and committees. In practice, in urban areas, the committees were confined to matters of school attendance, but in county areas they were also given management of such routine matters as cleaning of schools, feeding of necessitous children, and medical inspection and treatment. Under the changes brought about by the Local Government Act of 1929 these committees have become even less important.

VII. ADVISORY COUNCILS

Under the Act, education authorities were also directed to appoint

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local advisory councils consisting of persons qualified to represent the views of bodies interested in education for the purpose of advising the authority on matters of educational interest relating to their area. Similarly, in regard to the work of evening continuation classes, the authorities were directed, by Departmental circular, to consider the formation of sub-committees versed in the needs of local crafts and industries for the proper expansion of the authorities' trade instruction. While the latter form of advisory committee has functioned satisfactorily, particularly in the urban areas, the local advisory councils, with their general duties, have never proved popular and they have remained more or less moribund. It should be noted, however, that the Department itself possesses a strongly representative advisory council organised on a national basis to which it refers matters of general educational concern, such as recently the training of women teachers, and the position of technical education in the day schools of Scotland. There is also in existence a council for research in education which deals with inquiries on a scientific basis and which is representative of teachers, education authorities and other educational bodies.

VIII. AN ASSESSMENT OF THE RESULTS OF THE ENLARGEMENT OF AREAS

Within a year of their establishment it was said in the official report by H.M. Inspector of Schools for the year 1920 that the authorities had made education more accessible than ever it was, by abolishing fees and by providing free books and stationery in almost all their primary schools and, in most cases, in their intermediate and secondary schools. Special arrangements were made also for the benefit of bursars and necessitous cases so that, in general, it might be stated with confidence that no pupil of reasonably good ability need be prevented by the direct cost of education from qualifying for entrance to a university or a central institution for higher technical instruction.

The authorities had aimed generally at making the doctrine of equality of opportunity, in respect of all kinds of education, something more than a theoretical proposition. They had not been slow to recognise that benefits enjoyed by urban communities should, as far as practicable, be extended to the rural and more remote parts of their constituencies. That most of the education authorities had far less recourse to their powers of exempting children from school attendance than had been the case under the school boards is evident from official reports for the year 1922 and succeeding years. Release from school until the advent of the larger authority had been too prone to be dictated by the needs of agriculture and industry than

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by a regard to the welfare of the children themselves. A rapid development in making school games part of the curriculum and in respect of physical education generally is a noteworthy feature of reports of that time. Facilities for recreation hitherto beyond the limited resources of small administrative bodies became possible with the increased rating capacity of the education authorities. It is sometimes said that the new bodies brought with them a heavily increased expenditure upon education. That the money expended upon that service increased is very evident from a scrutiny of national educational accounts which, in 1914, showed a total expenditure of £5,176,000, and a gradual increase over the succeeding years until, in 1935-36, expenditure for national education reached the huge sum of £15,495,000. There should not be ignored, however, the greatly increased duties and responsibilities devolving upon the new authorities and the many social changes which brought about increase in expenditure. The effect of the Great War, moreover, was to make a comparison with past régimes, so far as finance was concerned, completely unreliable particularly through the greatly increased level of prices of materials and adjustments in wages and salaries which latter were, indeed, long overdue. For an examination of the finances of Scottish education reference should be made to the Year Books of Education for 1934 and 1938. In recording the disappearance of the *ad hoc* authorities in 1929, the Department observed that something should be said of the good work which they had accomplished. When they first came into being they had in most areas to take over the responsibilities of a large number of separate school boards, to co-ordinate and centralise schemes for higher education, to provide instruction for the children who were handicapped mentally or physically and to undertake many other tasks with which the smaller boards had been unable to cope. For the educational progress made during their ten years of existence, the late authorities, said the Department, deserved the gratitude of the country.

IX. 1929: THE OMNIBUS LOCAL AUTHORITY

Whatever may have been said in favour of the abolition by the 1918 Act of school boards, where the "personal touch" predominated, the abolition by the Local Government (Scotland) Act, 1929, of the *ad hoc* education authorities was looked upon with misgivings. Members were elected to the town or county councils for the discharge of multifarious duties, many of which were not even remotely associated with educational administration. Further, where a person was elected to the council, the ratepayers had no assurance that a particular member, regard being had to his religious beliefs, educational attainments and experience, would be appointed

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to the education committee. The only argument brought forward by the sponsors of the Bill, so far as relating to Education, was that it appeared desirable to have a unification of public services for the purpose of preventing alleged overlapping and consequential duplication of expenditure. Where so many interests had points of contact, it was argued that education should not be left in a watertight compartment. It was only about ten years since the *ad hoc* education authorities had been established, and the 1918 Act which created them was not even in full operation in 1929.

However, the Act swept away the education authorities and substituted as the local education authority the town councils of the four large cities and the county councils of the remaining parts of the country. The Act laid down that the work of education was to be operated by these councils through a statutory education committee with a definite scheme of administration approved by the Secretary of State. These committees had to have certain special interests such as the churches and the teachers represented by members nominated by the bodies concerned, now known as co-opted members. The Act also provided that all important matters of educational administration had to stand referred to this education committee including that of religious instruction. Powers of delegation were also conferred.

At the date of the passing of the 1929 Act, there were the following local government bodies operating in Scotland, *viz.*:—town councils, 201; county councils, 33; district committees, 98; standing joint committees, 33; commissioners of supply, 33; parish councils, 869; education authorities, 37; district boards of control, 27; distress committees, 9; a total of 1,340.

Under the scheme of the new Act, the local government bodies were:—county councils (reconstituted), 31; town councils of cities, 4; town councils of large burghs (population over 20,000), 19; town councils of small burghs, 173; a total of 227, together with district councils in landward parts of counties, the number of which the Act did not fix, but which depended upon the conditions in each county area. Of the foregoing remaining local governing bodies only the county councils and the town councils of the large cities were given direct control over educational matters, 35 bodies in all. Official reports for the year 1929-30 record that the change over in all districts was accomplished with remarkable smoothness and good will and that the new education authorities showed no disposition to overturn rashly the policy bequeathed to them by their predecessors. Much of the credit, said the reports, for this smooth transition was no doubt due to the permanent officials.

The most important feature of the arrangements relating to the

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constitution of the education committees was the provision for the appointment of persons representing various interests who were not, or need not be, elected representatives of the town or county council. As this principle of co-option was practically foreign to the local government system of Scotland it was not surprising that in carrying out the provisions of the Act, the councils, in general, contented themselves with the appointment of the minimum number of such members required by the Statute. In succeeding reconstitutions of committees, the antipathy to this new principle has been even more marked and the number of co-opted members has been steadily reduced. So far as it can be elucidated this dislike of co-option arises more from a traditional feeling that representatives of the community ought periodically to stand the test of a popular election than from a supposition that popular election confers some hall-mark or virtue for administration not to be found in the person who is nominated to represent some particular interest.

It was fairly general to find in the scheme of administration adopted by the town or county councils as education authorities that all their functions in regard to education had been delegated with or without various devices of control to the education committee with the exception, of course, of matters reserved by Statute to the council themselves or other important functions such as the power of raising money and the incurring of capital expenditure. The duty of providing food and clothing for necessitous children was frequently shared between the education committee and the committee responsible for public assistance, the former undertaking the actual supply, while the assessment of need rested with the latter. As regards school health administration, such matters as physical education, instruction in hygiene, and the education of defective children were in all areas left in the hands of the education committee; but the medical inspection, supervision and treatment of children was in most cases delegated to the public health committee. In questions concerning the welfare of mentally and physically defective children, as distinct from their education, it was expected that the work of the two committees would generally be co-ordinated.

There was a tendency in the new schemes of constitution of school management committees for their number to be drastically reduced. On the other hand, co-operation between parents and teaching staffs began to grow through the formation of school committees and associations. In the counties a natural area for the delegation of local duties was that formed by the district council and, in some cases, the powers and duties of school management committees were virtually absorbed by these councils.

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X. FUTURE TRENDS IN LOCAL GOVERNMENT ADMINISTRATION

Sir Henry S. Keith, Chairman of the Education Committee of the County of Lanark, and a leading opponent of the 1929 Act, said recently that while the Act had done a good deal of mischief it probably also had done a good deal of good. Its purpose was avowedly more fiscal than educational. It had been an obvious anomaly in the world of local and governmental finance that the power and responsibility of imposing public rates should be divorced from the comparatively easier task of expending the moneys as was the relationship between the town and county councils as rating authorities and the former education authorities.

The real effect of the 1929 Act, in so far as education is concerned, will only be gathered after a much longer period of study. We are living at present too near the event for a fair and just assessment of its results. It is safe to say, however, that, in composition, the new education committees are now very much changed from the former education authorities. In the case of the latter, people sought election because of one interest only, namely, that of education. Under the present system the elected member of an education committee has to divide his interest between education and several other important branches of local government work. A distinct difference in the type of member has, therefore, become evident. In place of the person with a special interest or qualification for educational administration, we are now witnessing the impact upon education of the member whose interest in local government is a general one. If the powers and duties of town and county councils were static, probably, in the course of time, as the new type of member became acquainted with the legislative and administrative background of education, no great difference would have been observable, but this is by no means the case. As we have seen in the earlier article on the Scottish Educational Services, every year sees new and important Acts of Parliament devolving additional duties upon local education authorities. Add to this the increasing tendency for Parliament to delegate to the central departments the making of regulations and the direction and moulding of policy by memorandum and circular. As a result, the burden upon any conscientious member of an education committee is becoming well-nigh crushing, particularly if he is a business man with private interests to serve in addition to his public duties. So much is this in evidence that we have now the beginning of a movement for the payment of members of local councils. A similar process led to the payment of Members of Parliament, first, in regard to their out-of-pocket expenses and, later, in the form of a salary recently increased to £600 per annum. This outcry from some areas for the payment of local government

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representatives is fortunately a small one but it is very significant to students of public administration. It is thought it could only be acceded to under a drastic and wholesale alteration in the control of local affairs.

The interest of the general public in local government is also an important factor. While a keen concern is exemplified in the affairs of Parliament as reflected in particular by the percentage of voters at general elections, a similar warm interest is not apparent in regard to the management of localities. Under the education authorities system voting was by proportional representation and a considerable measure of interest was evoked. Education has now become part of the everyday affairs of the town and county council and it suffers in common with the other branches of the local government services in a progressive decline in public interest in the workings of the administration except, perhaps, where some controversy of the moment arises to fan the while the flame of interest.

The increasing intrusion and importance of political feelings in the field of local government has also been an unwholesome feature to those engaged in the work of educational administration. Formerly such considerations were severely in the background but, increasingly with the years, local government has become more and more a reflex in miniature of the political party system of the country with much loss it is felt to its impartiality and efficiency.

Changes in the financial basis of local government are also having their effect. As their burdens are increased, local government bodies are being tempted to press the Central Government to shoulder a bigger share of any type of expenditure which has a national aspect, such as: poor relief, housing, slum clearance, etc. The tendency is, therefore, for more and more control to be assumed by Central Government Departments. Likewise from the pressure of financial responsibility, we have a strong tendency towards regionalisation, particularly in regard to the more technical services, such as: hospitals, police, transport and the utility services of water, gas and electricity. In the world of education such a tendency has been evident from even earlier times, since round the four universities of Edinburgh, Glasgow, Aberdeen and St. Andrews, coupled with Dundee, there have been grouped the higher branches of academic and technical learning. In the realm of the training of teachers a regional basis is followed in the distribution of colleges, and in the provision of such specialised functions of education as medical treatment and the provision for defective and handicapped children and various other types, there is evident a co-operation between adjoining areas in meeting common needs in the most efficient and economical manner possible. We are, therefore, witnessing but another step

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in the formation of a larger unit of administration to meet the ever-increasing complexity of community services, a tendency which we have seen has gone on steadily from the days when education and poor relief were largely the concern of the parish church. However much we may dislike the principle of advisory committees, there is little doubt that a great deal of the work at present done under difficult circumstances by local government bodies may be, in the fullness of time, entrusted to a regional civil service guided by disinterested advice from bodies of experts specially constituted for the purpose. The necessity for long-term planning on a wider scale than is possible in the circumscribed area of even a county unit will alone make such a development essential. This need not, however, be incompatible with the principle of devolution in the smaller and more intimate matters of the daily life of the people. We have, as a race, a genius for adaptation and a hard practicality which can overcome any danger towards rigid bureaucracy.

At all events we can rest assured that despite controversy and changes in regard to administrative machinery, that abiding sense of the value of education in the minds of Scottish parents will prevail. Such facts as the following make this abundantly clear:—

(a) The percentage of average attendance over all Scottish schools which stands at the gratifying figure of nearly ninety-one per cent.

(b) The existence in Scotland of a secondary school for every twenty thousand of the population.

(c) The presence of more than two-thirds of persons between the ages of five years and twenty years in some form of organised educational institution, either whole time or part time; and

(d) The attraction to University courses of one person in every five hundred of the population, which is amongst the highest in the world.

Educational administration in Scotland has, therefore, been but a means to an end, for it is in this sense of real values, and not in an absorption over the details of regulations and machinery, that her education has progressed down the ages.

Reviews

The A.B.C. of Local Government

By C. KENT WRIGHT. Pp. 208. (Evan Brothers Ltd.) 4s. 6d.

My first reaction to the title of this book was that Mr. Wright must have turned rhymster and had transformed the old A. B. C. into propaganda for the greater prosperity of local government. I fancied I could hear the childish chanting of "A is for Alderman, so dignified and stout. . . ." And I must confess I was a little disappointed to find it was not this kind of book but a description of the manifold activities of local authorities, with, however, the attraction of being written for the ordinary citizen and not for the expert or students.

Now, in this connection, I cannot lay any great claim to being an ordinary citizen and I strongly suspect that the Editor would have done better to hand the book to the first person he met—preferably in Burnley or Wigan or any other town where people take an interest in local affairs—and ask for an opinion as to its value to him. The imaginary man in the street whom I approached answered on these lines:—

"This book tells me a lot of things I did not know before and is easier to read than most books on the subject though at times the writer does talk a bit too much like a lawyer. Not too long either, considering all the things he talks about, but 4s. 6d. is a bit stiff in these times of 6d. editions. Jokes are a good idea and they help to make reading easier—must have a look at this chap's book about the Lighter Side of Local Government. But he could have made a much better job of the illustrations. One of those "Picture Post" cameramen would have done a gradely job for him; after all, people nowadays are used to good photographs."

Having got these preliminary comments off his chest my imaginary citizen turned to what he called "the reason for writing the book." "I notice," he said, "that in his first chapter Mr. Wright has a down on me—he says I am ignorant and not interested in the work of my council—and his aim is to give such as me a much greater interest. I resent that a bit, for I think he is getting

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me mixed up with those Londoners and other people who live in towns too big for them to understand—no wonder people in such towns don't know the names of their mayor or councillors—I bet many of them don't even know the name of their next-door neighbour! Funny thing about this Mr. Wright is that he thinks he will make me more interested by showing me how wonderful are these councillors and officials in providing all these services. He nearly always uses 'was' or 'used to be' when talking about municipal failings. That is just what I say to myself. If I were to take no interest in my garden for a few weeks it would get into a proper mess. I'd have dandelion and sorrel growing all over the place. But the council is different—the policemen and street sweepers still go on keeping things orderly even if I never take the slightest interest in local government. So why shouldn't I spend my spare time in the garden—besides it's a bit simpler. Now if Mr. Wright would show me where local government is corrupt or not doing its job properly I will see about putting it in order. Now and again, of course, he does let the cat out of the bag when he says that such-and-such an authority has provided a new type of service or made improvements not made in other areas. Which seems to imply that many other local authorities are not doing their job as well as they might do. I wonder if that is the fault of the councillor or the official? I would have liked more of this, but I have made a note of the ideas he mentions and must find out why they are not all carried out in my town. It seems to me that the book is more a sedative than a stimulant. It does not give me many problems to chew over—only half a page devoted to rating anomalies, nothing much about the stages in the educational system which would allow my young Sam to go step by step to the University. . . ." I stopped him here by pointing out that there was a bibliography at the end of the book in which he might find books for further reading. But my ordinary citizen had a last little grumble because the list gave him but little idea of the relative value of the books—titles, he said, can be so misleading.

D. N. CHESTER.

The British Tariff System

By E. B. McGUIRE. Pp. 312. (Methuen.) 10s. 6d.

MR. McGUIRE's book fills, and fills most admirably, an important gap in economic literature by describing a system which has, in the last few years, become an integral part of British economic policy. In that period free trade, on which Britain had risen to prosperity in the nineteenth century, has been abandoned and in its place has

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arisen an intricate machinery of tariffs and quotas. Mr. McGuire has attempted to indicate some of the main problems which may be met with in the establishment of any general tariff, and to describe the ways in which these have been faced in particular instances in the British experience.

He has been careful not to assume any previous knowledge on the part of the student. He begins with an account of the political system which forms the background to tariff changes, and then proceeds to describe the "economic background." This phrase is perhaps a misnomer, for Chapter II covers, not the conjuncture of economic dislocation in which recourse has been had to tariffs, but the background of fiscal theory. The rest of the book presents a nice balance between general theoretical issues—as the closely reasoned chapter on the issue of Free Trade versus Protection—and practical administrative problems. The author's grasp of these, and ability to display them, are seen to best advantage in his excellent chapter on specific and *ad valorem* duties, which is probably, for the student of public finance, the most useful part of the book. Of an equally high quality are the discussions of drawbacks and warehousing. In the last three chapters he provides a useful commentary on the mechanics underlying economic policy by discussing the tariff, imperial preference and trade treaties. It is quite safe to say that anyone who desires information on these points cannot fail to profit by having recourse to Mr. McGuire's book.

The method of treatment, however, suggests one criticism. In a book that sets out to be so general as to give a chapter on the political background—the Cabinet system, representative government, the legislative process, the judicial system—it is surprising that the tariff system in some of its wider aspects is not more thoroughly discussed. While the chapter on Customs Administration goes back to 1559, there is no attempt to give any history of the position of protection in English fiscal history. In particular, a brief review of the tariff reform of 1785-1860 might have been included, with some general remarks about the reasons for the free trade movement in that period and for the recent swing back to protection. The justification of the new post-war tariff system is taken as given, and attention concentrated on its working. In view of such an excellent theoretical chapter as that on the protection controversy, it is surprising that so little is said to defend or criticise the adoption of protection as a fundamental instrument of British economic policy. Again, although in earlier chapters a useful account is given of the complementary character of direct and indirect taxation, no attempt is made to estimate the proportion of total British revenue raised by customs and excise in, say, 1913, 1929 and 1935, as a guide to tariff

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policy. It would have been a simple, but useful, addition to have included in the table on pp. 300-1, which gives the yield from each important customs and excise duty, a figure representing the national revenue for each of the years taken, and some comparative figures for the principal direct taxes.

Nor, if general issues are considered, is anything said of the effect of the tariff system on the redistribution of income, or of the relative incidence of the burden of taxation as a whole on different sections of the community. At a time like this, when the question of equality of incidence is so much discussed, any guidance on the weight of the indirect tax burden would prove of value.

Again, while discussing the machinery of the tariff system, a section might have been included on the Import Duties Advisory Committee, its constitution, personnel, its precise powers and procedure, as well as an account of the principles upon which it bases its recommendations. For a body so important in the working of the tariff system, it is surely insufficient to give merely five casual references to sides of its work which are, for the most part, of secondary consideration.

It might be felt that the inclusion of any remarks on these issues would have made the book unnecessarily long. On the other hand, it would probably have been preferable to have discussed them and omitted, say, large parts of the first chapter. It is surely of more importance that the student of fiscal policy should be given guidance on them than that he should receive instruction on such things as the constitution of the Petty Sessions or the Sheriff's Court.

The book is clearly written, neatly arranged, well indexed and admirably free from misprints. One alone seems to have escaped the proof-reader. On page 2 the date of the General Election in which the Conservative Government submitted the issue of protection to the popular vote is given as 1924. It was, of course, in December, 1923.

J. H. WILSON.

Reviewing Made Easy

Report on the Gas Industry of Great Britain. (P.E.P., Queen Anne's Gate, S.W.1.) 10s. 6d.

THAT excellent body, "Political and Economic Planning," devotes itself to the finding of facts, and having found them, issues broadsheets and reports suggesting new principles and possible advances, and some idea of its industry will be given by the bald statement in the foreword that it has published fourteen full-scale reports on important subjects along with a hundred and forty broadsheets, not including its fortnightly journal "Planning."

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In 1934 a Gas Group was formed, and after a preliminary canter in 1935 has now produced a report which gives the life history of gas in this country and makes important suggestions for its future while a tender and unusual regard for the poor reviewer has induced the compilers of the report to supply an excellent summary.

A William Murdoch seems to have been the first to discover the use of coal gas as an illuminant but it was left to a Pole to find its commercial value. In 1812 the Gas Light and Coke Company began operations and by 1830 over 200 companies were operating. Light and coke furnished revenue, but for a long time certain by-products which are now profitable were a source of expense and trouble. There was the usual competition, but from a very early date Parliament imposed some regulation of profits as a condition of passing a Gas Bill and in 1847 this condition was standardised. Sometimes the gas enterprise was a private company, sometimes a local authority, but in every case there was a limitation of profit. The report says that until 1880 gas was used almost exclusively for lighting and had no competitor in convenience. The latter part is true but the first an overstatement. Long after 1880 the chief illuminants in small places were oil lamps and even candles, and as late as 1895 most working-class homes in London depended on the smelly and sometimes dangerous paraffin lamp; indeed, a move to a gas-lit house devoted a rise in social position. By 1880, however, much progress had been made in the profitable disposal of by-products and some in the use of gas for heating and cooking.

In 1882 came the challenge of electricity and the gas companies realised they had a formidable competitor, no one then realising there was a field for both forces. The gas companies met the menace with energy and courage. They improved their methods, spent money on research and experiment, and the Welsbach incandescent lamp of 1894 was of great service to them, increasing as it did the lighting power and reducing the amount of gas required. This allowed the companies time to develop heating schemes and to revive a suggestion made as early as 1867 of using gas instead of steam for engine purposes. So far from electricity killing gas as enthusiasts for the former predicted, gas trebled its output between 1882 and 1912.

The war had its effect on gas as on everything else. The companies produced bases for explosives to the discomfort of the enemy and antiseptics for the comfort of the sick and wounded, but post-war conditions clarified the position of gas in the world of economy. Its chief function was to provide heat, and if it was to do that, extensive modernisation of plant was necessary, for electricity could also supply heat as well as light and the competition was fierce. The

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gas industry stood up to the test and now its output is higher than ever before. The United States, as might be expected from its immense territory, has more gas consumers than any other country, supplying no fewer than 16,500,000; over seven million consumers are in the happy position of being able to use natural gas, which is so cheaply produced that in at least one town the street lamps are left burning all day as the illumination costs less than the labour of turning out the lamps. Actually in manufactured gas Great Britain leads the way with nearly 11,000,000 consumers, as it does in density of consumers: one in four of the population, as against one in seven in the United States. No other country approaches the output of Great Britain; Germany coming next with nine million consumers. One would expect to find a fairly large number of undertakings in so huge a business, but it is a little staggering to discover there are 706 statutory gas undertakings and 544 non-statutory ones, the latter between them producing only 568 million therms as against the 1,495 millions of the statutory companies. Among the latter, however, 180 undertakings produce 89 per cent. of our gas, the other 526 only producing 11 per cent. That such a system means waste and competition, especially in respect to appliances like cookers and heaters, is obvious, and so we get to the most important part of the report. Standardisation, joint buying and the setting up of a training centre for gas fitters and salesmen are advocated along with the study of salesmanship and general co-ordination. The report acknowledges that something has been done in these directions and also in research, but not nearly enough.

The proposals for reorganisation are a little puzzling, for at one time they seem to be suggesting nationalisation and at another rejecting it. A national undertaking might impose premature standardisation, endanger local initiative and so on, and these are dangers to be avoided if there is another way. Then the report goes on to suggest a plan which may be called nationalisation without tears. Recognising that as a whole the industry is in a sound position it draws attention to the fact that there is a definite fall in the domestic load per consumer and that this means the companies will have to carry an increasing number of unprofitable customers and the reasons for the decrease appear to be permanent. True, this is far more than offset by the increase in industrial sales, but a slump in trade might easily wipe out this advantage. Electricity is a formidable competitor and may easily be more so, while the companies are reminded that the Labour Party has nationalisation on its programme and the companies can only meet the challenge by showing that nationalisation will be no improvement.

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What the recommendations really boil down to is a kind of Public Utility Gas Board. There should be a considerable amount of amalgamation, though the report favours the retention of small local units to deal directly with the consumer, above them Regional Groups covering large areas and above them again a National Gas Authority. This is singularly like the planning of the Post Office. The local units would have no power as to the policy of production, technique or marketing. They would in fact be selling agencies charged with the special duty of keeping customers sweet. The Regional Groups would plan policy, production and supply for its large area and would make bulk purchases of appliances. Price is not mentioned, but presumably would be one of their functions.

Judging from the exact text of the report the National Gas Authority would do everything except exercise authority. If such an authority were established it would by its very might have great power, but there is nothing specific in the report to give it power to deal with any recalcitrant region or local unit except the suggestion that it might go to Westminster for power if necessary.

Finally, it is stated that some measure of ultimate control, which apparently means that now exercised and is not very satisfactory, would remain in the hands of the State, but it is recommended that the regulations should be overhauled in order to bring them into line with modern conditions and suggested that a few super men to be called Gas Commissioners should be appointed with final responsibility, "subject to Ministerial control over specified matters in which Parliamentary considerations arise."

One can easily imagine years of argument as to what this paragraph really means beyond the fact that it sets up an authority above the National Gas Authority, but anyway it is a very interesting report.

G. H. STUART-BUNNING.

Allied Propaganda and the Collapse of the German Empire in 1918

By GEORGE G. BRUNTZ. Hoover War Library Publications No. 13. Pp. viii + 246. Stanford University Press, 1938. (Humphrey Milford, London.) 16s.

USING the remarkable collection of material gathered in the Hoover War Library at Leland Stanford, near San Francisco, Dr. Bruntz has made a painstaking survey of the propaganda activities of the Allied Powers during the World War. It cannot be said that his work materially alters the general view of the subject already presented in other well-known books such as "The Secrets of Crewe

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House " on the British side or Lasswell's general survey " Propaganda Technique in the World War." The work of Professor R. H. Lutz, the Director of the Hoover War Library, on the causes of the collapse of the German Empire deals generally with problems to which Dr. Bruntz has devoted specialised study. It will, however, be a useful addition to the literature on the war propaganda question, largely because of its careful survey of the actual propaganda material circulated, specimens of which are freely reproduced in the text. One of the most striking illustrations is the reproduction, in two folding pages, of the " Chart of German Civilian Morale," prepared by the United States War Department. It would be interesting to have further details about the construction and sources of this remarkable document, because the printed reproduction, from a photostat of the original, is unfortunately by no means easy to decipher.

Dr. Bruntz deals in turn with the organisation and methods and tactics of propaganda, and the use of neutral countries as bases of attack. Then follows an analysis of four " types " of propaganda; the propaganda of enlightenment, of despair, of hope, and particularist propaganda. The latter has affinities with the revolutionary propaganda which the Bolsheviks attempted after the Russian collapse and revolution and to which a special section is devoted.

The final chapters deal with the internal conditions of Germany as an aid to propaganda and with the problem of measuring the effect of propaganda. Valuable as the whole is as an historical survey, it leaves something to be desired on the interpretive side. Dr. Bruntz will find many to agree with his conclusion that " an accurate estimate of the relative importance of the part played by propaganda in bringing about the collapse of the German Empire is impossible." But this opinion contrasts sharply with his earlier statements that " it was the propaganda of all three (the Allies, the Bolsheviks and the German revolutionaries) that stirred the Germans to take up arms against their rulers, their militarists and Junkers," and that the psychological change in the rank and file of the Germans " was accomplished by the revolutionary propaganda of the Allies and the archpropagandists of Russia."

The view that propaganda and not military inadequacies or semi-starvation caused the downfall of Germany was popularised after the war by Ludendorf and has since been sustained by the National Socialist Party. But the plain fact seems to be, although Dr. Bruntz does not sufficiently emphasise it, that the propaganda owed a very great deal of whatever success it achieved to weaknesses within the German State which would in any case have led to a breakdown.

Moreover, Allied propaganda was predominantly not

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"propaganda" at all but publicity for news which was true.

German efforts at propaganda are not properly within the scope of Dr. Bruntz's book, but as he includes a section on the subject it is permissible to say that good as it is, it hardly gives a fair picture. The German effort, although inferior to that of the Allies, was by no means confined to somewhat feeble attempts to counter Allied offensives as Dr. Bruntz suggests. He does not, for instance, refer to the efforts made by the Germans to create dissension between the British and French described in the full survey by Marchand published shortly after the war, "*L'Offensive Morale des Allemands en France pendant la Guerre, L'Assaut de l'ame française.*"

The wider issues lying behind the "propaganda" problem are inseparable from the general war guilt question. Into this Dr. Bruntz wisely does not enter. Those still interested in it will however note the significant fact that, unlike the Allies, the German authorities consistently refused to disclose their war objectives and that when they had practical occasion to do so, as at Brest-Litovsk, the result was some very unhappy reactions even within Germany itself.

F. R. COWELL.

The Englishman's Food A History of Five Centuries of English Diet

By J. C. DRUMMOND and ANNE WILBRAHAM. Pp. 574. Jonathan Cape, 1939. 12s. 6d.

In a notice of Sir John Orr's book on "Food, Health and Income," in *PUBLIC ADMINISTRATION* in July, 1936, it was remarked that there was no history of the food consumption of this country written in the light of the modern knowledge of nutrition. Indeed, until that knowledge had been secured there would have been no basis, save antiquarian interest, for such a work. Professor Drummond and his collaborator have now provided a review of the subject from the scientific standpoint and a most fascinating volume it is.

Food, the sustainer of life, is clearly of basic importance for so many aspects of social study that the great interest of the volume will be easily understood.

Merely as a contribution to economic and social history it is of commanding importance and will undoubtedly figure on the list of books which all students must read in the history schools of our Universities.

It is first and foremost a history, but like much good history it makes a powerful contribution to the study of contemporary problems and policies. For the Middle Ages and Tudor and Stuart eras, the available sources are by no means as full as could be desired. The authors have, however, consulted recognised authorities,

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so drawing together for critical interpretation a mass of information not before co-ordinated. It would be too much to expect from them that detailed review of manuscript and other sources such as Sir William Beveridge and his collaborators are at present undertaking for the International Scientific Committee on Price History.

While some amplification and correction may be expected from such sources, the main outlines of the story are unlikely to be much affected. It will be unnecessary to attempt to summarise here the record of food supply and feeding habits of the chief social classes of the country set out in the five parts of this work. It will suffice to say that they cover respectively Mediæval and Tudor England, the seventeenth century, the eighteenth century, the nineteenth century and the twentieth century.

In many ways it is an appalling record of misery, ill-health and disease resulting from ignorance, which, since it afflicted rich and poor alike, found no remedy or alleviation in official action or in medical wisdom.

In one of his sentient generalities concealing a wealth of sober reflection under an apparent platitude, old Samuel Johnson once remarked that "there is a great deal of ruin in a nation."

During certain periods of our history the ruin was indeed so great that it is astonishing that we managed to survive. The foundations of what national and imperial greatness we have achieved were, in all sober literal truth, rickety, scorbutic and anæmic.

To judge those responsible for public administration two hundred years ago in the light of the knowledge achieved during our own generation is of course grossly unfair. Yet the official conscience in those days must have been singularly fortified by blank ignorance to tolerate such occurrences as the loss by disease of 130,000 men out of the total of 185,000 raised for sea service during the Seven Years' War. Scurvy played a large part in this disaster, despite the fact that in 1734, twenty years before the war, a doctor in Leipzig had pointed out that scurvy was caused by the lack of fresh vegetables and this view was made known in England by Lind in 1753. Scurvy continued to ravage the crews of the British Navy until the end of the 18th century.

Parallel horrors were to be observed in civil life. Terrible indeed was the lot of prisoners who often were literally half-starved until quite recent times. Paupers, children in boarding schools and children almost everywhere, were also the unfortunate victims of dietary deficiencies which greatly impaired their health. An infantile death rate of over 200 per 1,000 in the third quarter of the year was a regular occurrence as late as 1906. It is now around 40-60 per 1,000.

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These are but few of the striking facts brought out in the course of this survey which not unexpectedly subjects administrative shortcomings to some pretty shrewd knocks. Not the least important aspect of this review is its illustration of the value of scientific knowledge in public administration and the imperative need of organising our national endeavour in the light of its verified findings. On the adequate feeding of school children, for instance, it would be difficult now to contradict the authors' view that "The physical disabilities and ill-health of later life which are the legacy of malnutrition in childhood cost the nation millions more than would the provision of free supplies of protective foods in the early years. Even looked at from the cold, materialistic point of view, money so expended is not a charity, it is a profitable form of national insurance."

A by-product of this historical survey is a valuable and up-to-date outline of the essentials of the modern science of nutrition and a tribute must be paid to the interesting way in which the book succeeds in imparting so much useful knowledge.

When so much is provided, minor complaints will seem ungrateful. One omission which seems rather extraordinary is the absence of any reference to honey as a constituent of diet in the Middle Ages and, indeed, later also. The index, which is good, makes no reference to it, and beyond four casual references in the text, it gets no discussion whatever. In view of the importance rightly given to the high price of sugar before modern times and the effects of its reduction, it is hoped that Professor Drummond will tell us something about honey in a second edition, which should soon be necessary.

Another point is the discussion of alcohol and drunkenness. The great increase in gin-drinking, the "most momentous fact" of the eighteenth century, as Lecky called it, is very rightly described but it is difficult to believe that it was notably arrested by taxation, as the authors declare, after the middle of that century. At any rate, the Report of the Select Committee on Drunkenness of 1834 (which our authors do not mention) revealed an average annual consumption of over 21 million gallons between 1826 and 1831, a figure which does not compare very favourably with the five million gallons said (page 235) to have been consumed in 1735.

One or two such considerations will probably occur to other readers but they will for the most part be a testimony to the stimulating influence of a volume which was badly needed and which has now been so excellently supplied. A concluding tribute must be paid to the generosity of Sir Alexander Walker, K.B.E., whom the authors thank for making it possible to publish the book at the modest price of 12s. 6d.

F. R. COWELL.

Book Notes

The Municipal Year Book, 1939. International City Managers' Association, 1313, East 60 Street, Chicago. 1939. Pp. 586. \$5.

THIS sixth issue of *The Municipal Year Book* devotes much more space to individual statistics of cities than previous issues. For the first time the Year Book presents an entirely new statistical section covering police, fire, utility, welfare, health, library, and recreation activities. For police departments are given the number of police employees, entrance and maximum salaries of policemen, salaries of police chiefs, total salaries, total 1938 expenditures for the department, number of police patrol cars, cities with one- and two-way radio, crime rates, etc. Similar information with regard to salaries and expenditures is given for fire departments and, in addition, the per capita fire loss for 1938, average for five years, and per building fire, together with data on the fire insurance classification of each city over 30,000.

Another new section is one on financial data for cities over 30,000 which presents, among other items, the adjusted tax rate, direct taxes of a typical family, and per capita net bounded debt. There is also a special new section on the inter-governmental tax exemption problems, a list of sources of statistics on city activities, and a selected list of standard references on municipal administration. Over 2,000 municipal officials and about 200 other authorities aided in preparing the material in this volume.

The Year Book is divided into six general divisions: résumé of municipal activities in each of 24 fields in 1938, general governmental data, municipal personnel, municipal finance, municipal activities, and sources of information. For each of the 1,809 municipalities in the United States over 5,000 population, the Year Book gives a great deal of information, such as number, salary, term, and election date for city council, titles of officials elected by the people, utilities owned, etc. Another section of the book gives for each of 834 cities the number of employees, total salaries and wages, whether a city has a classification and pay plan for employees, and a list of cities in which municipal employees are unionised and to what unions they belong. For each of the 960 cities over 10,000 the Year Book lists the names of 12 chief municipal officials.

Two features which greatly increase the utility of this issue are an index to the contents of previous issues and a thumb index which gives immediate access to statistical tables.

The South African Journal of Economics. Vol. 6, No. 4, December, 1938. 6s. net.

THE controversy about planned agriculture and control boards in South Africa still goes merrily on, and Professor C. S. Richards, in his rejoinder to a further defence of the Union Government's policy, remarks, "When an interchange of opinions has reached a certain stage, it begins to verge upon the tedious and the futile." However, Professor Richards himself shows no signs of tedium, witness his reply to a defence of the sugar subsidy: "If Mr. Anderson cannot see 'waste and inefficiency' in a system which forces the production of nearly 500,000 tons

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of sugar in South Africa, almost 200,000 tons of which must be exported at heavy loss; which charges its own nationals 3.5 pence per pound retail when consumers of our dumped sugar in Great Britain pay 2.3 pence per pound with a *per capita* consumption twice as high; which forces the production of indifferent wheat in areas virtually capable of growing nothing and charges its nationals about 22s. 6d. per bag for the privilege, for a product which could be imported in better quality at half price, then any further discussion seems useless." This is good hard-hitting stuff. Indeed, the whole discussion, in this and preceding issues, is well worth reading as a clear exposition of the opposing theories on this important subject. Meanwhile, this issue contains a further "Economists' Protest," directed this time against the draft scheme relating to the marketing of livestock and meat.

Papers are contributed by two of the South African delegates to the Second British Commonwealth Relations Conference held in Australia in September, 1938. The first deals with foreign policy and constitutional relations, and the second with finance and economics. Both illustrate the great diversity of opinion which was expressed at the Conference and the immense difficulty even well-informed people have in grasping the wider implications of the Imperial bond. The confusion of thought over the objects and the results of the Ottawa Conference must have been most amusing to any disinterested spectator.

The student of local government affairs will find much of interest in an article on the finances of the Johannesburg Municipality. Two points of special interest are the large contribution to revenue made by trading departments—which amounted to no less than 56 per cent. of the rates in 1937—and the necessity for contributing from the general revenue to assist to provide services for the urbanised natives—an obligation which, in the view of the writer of the article, is inadequately performed.

Mr. E. D. Weiss contributes another valuable survey of Commercial Air Transport in Europe and the U.S.A., with particular reference to the economic aspects of the services. Apart from his more detailed analyses of the situation in individual countries, he contributes suggestions on several points of general interest. One interesting suggestion is that air services should account separately in respect of different routes according to their economic results, so that it should be clear which services can be justified on purely economic grounds and which must be justified on other grounds, which, while they may be more compelling, should be clearly recognisable to the public which bears the subsidy. Another deals with the highly seasonal character of the traffic on most routes, and comments on the failure of traffic authorities to try to deal with the matter by differentiation in fares and rates. Mr. Weiss shows that one experiment in this direction indicated that demand was extremely elastic, a reduction of 15 per cent. in fares increasing traffic by more than 100 per cent.

There are the usual reviews, notes and statistics.

J. K.

The South African Journal of Economics. Vol. 7, No. 1, March, 1939.

THIS issue devotes much more attention than usual to mathematical examinations of theoretical problems. It opens with a paper on the Rate of Interest, in which Mr. G. F. Thirlby uses certain diagrams constructed by Wicksteed in "The Commonsense of Political Economy" to provide an analytical apparatus to illustrate the recent controversy in the *Economic Journal* between Professor Ohlin and Mr. Keynes, Mr. Robertson and Mr. Hawtrey on the determination of the rate of interest.

Dr. D. V. Glass's paper on European Population Movements in the Union of South Africa also, of necessity, employs a mathematical approach. He works out, on the basis of two or three different assumptions, the demographic consequences

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of certain assumed conditions of fertility and mortality. He sets himself three problems which arise after the net reproduction rate of the population has been calculated. First, what is the implied annual rate of growth of the population assuming unchanged conditions of fertility and mortality? Second, what will be the age and sex structure of the stable population, which, as Lotka and Sharpe have shown, will eventually result from the given conditions of fertility and mortality? Finally, what will have happened to the population before it attains the stable age and sex structure? He answers his questions in a series of tables which are of great interest to the student of population movement.

At a moment when Colonial problems are very much in the public eye, the paper by Mr. W. R. Owens entitled "Some Notes on Mauritius, with special reference to the establishment of the Mauritius Agricultural Bank," is of particular interest. He deals, of course, almost entirely with the economic aspects of the sugar industry in Mauritius.

There are papers on the Witwatersrand Gold Mines Employees' Provident Fund, which was set up by the mineowners at the time when South Africa departed from the gold standard, and on the Local Government of Johannesburg. There are also the usual notes and memoranda, as well as a long article in Afrikaans by Professor Arndt.

J. K.

Institute Notes and News

Annual General Meeting

The seventeenth annual general meeting of the Institute was held at Montagu House, Whitehall, London, on April 27th, 1939, under the chairmanship of Mr. W. D. Sharp.

The chairman, in moving the adoption of the annual report, stated that the work of the Institute had been carried on during the year under difficulties created by the international situation, but that nevertheless there had been an increase in the membership figures. The new venture of centralising the publication of research reports in the hands of a publisher had proved satisfactory both to him and to the Institute.

Mr. A. J. C. Edwards, in moving the adoption of the accounts, said that the Council was glad to be able to increase the amount of the reserve fund, which now totalled £1,250.

The following resolution providing for the conduct of the Institute's affairs in time of emergency was carried:—

That this meeting approves the appointment by the Council of a committee, consisting of the chairman and vice-chairman of the Council, the chairman of the executive committee, the honorary treasurer and the honorary secretary for the time being, with full plenary powers and with power to add to its numbers, to act on behalf of the Council in the event of National Emergency.

Mr. A. J. C. Edwards was re-elected honorary treasurer. Mr. Bedford was re-appointed as auditor and Mr. F. W. Fox was appointed in this capacity in place of Mr. Franklin, who wished to retire after three years' service. The chairman, the honorary treasurer, and the honorary secretary were appointed as trustees.

Haldane Essay Competition, 1939

The adjudicators, Mr. C. Kent Wright and Mr. A. J. Waldegrave, report that fifteen essays were submitted in the competition. They observe on the variety of the aspects of public administration with which the essays deal, and the extent to which the subjects chosen illustrate the wide range of the public service of to-day.

With very few exceptions, the competitors utilised their own official experience in the selection and presentation of the subject and avoided a purely academic treatment. In most cases, indeed, the personal experience and the impressions derived from it were insufficiently supported by a thorough study of the subject, and the essays leave a general impression of an absence of background to the facts and opinions set forth. "Good as far as it goes" is the verdict which has had to be pronounced on nearly all the essays; for a competition of this type the efforts are too slight.

Two competitors, so far from using their administrative experience, failed to treat the subject in its administrative aspects at all. One writer did some careful

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and valuable research, but failed to work the results up into a well-written and well-argued essay.

Two of the essays stood out and were comparatively exempt from the criticism made above. The adjudicators recommended that the prize of £10 be divided between "A Manchester Member" and "Newmipa," the writers respectively of the essays on "Aspects of Tariff Administration" and "The Care and Control of the Mentally Defective in England and Wales." There would be no issue of the Haldane medal; for neither of the papers quite reached the standard which should be maintained for the award of this honour. "A Manchester Member" did not fully rise to the height which he measured off for a laudably ambitious essay, and "Newmipa," in his excellent exposition of a rather circumscribed subject, allowed himself too little scope for the discussion of administrative problems of wider interest.

Inaugural Address, 1939-40

The inaugural address for the winter session in London will be delivered on October 26th, 1939, by Mr. Harold Butler, C.B., warden of Nuffield College, Oxford. The chair will be taken by the president of the Institute, Lord Stamp of Shortlands. The subject of Mr. Butler's address will be announced later.

Summer Conference, 1940

By the invitation of the Manchester Regional Group the meeting place of the summer conference will be Ashbourne Hall, University of Manchester. The date and other particulars will be announced later.

Personal

Professor Marshall E. Dimock, who has been a welcome visitor from America at the gatherings of the Institute for several years, has been appointed second assistant secretary of labour at Washington. Last autumn Professor Dimock acted as special assistant to the secretary of labour while making a study of the immigration and naturalisation services.

Another American friend of the Institute, Professor Milton E. Loomis, of New York University, has been appointed associate commissioner for higher education for the State of New York.

Among the six visiting fellows who, with six Oxford dons and the warden (Mr. Harold Butler), are to direct the work of Nuffield College, Oxford, is Sir George Etherton, clerk of the peace and clerk of the County Council of Lancashire. Sir George Etherton is a fellow of the Institute.

The King Edward's Hospital Fund have appointed Captain J. E. Stone, formerly secretary of the Birmingham Hospitals' Centre, to its staff in connection with the institution of an advisory service, which is intended to enable individual hospitals more easily to take advantage of the experience of others. Captain Stone is a fellow of the Institute. He was formerly chief accountant of St. Thomas's Hospital and has a distinguished career in the world of hospital administration. He is the author of several books dealing with hospital finance and administration.

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